

Senate Standing Committee on Finance and Public Administration

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Human Services and Agencies

Supplementary Budget Estimates 2006-2007, 31 October, 2006

Question: HS 31

Outcome 1, Output 1.1

Topic: Centrelink – Payments - Various

Hansard Page/Written Question on Notice: Written

SENATOR EVANS asked on 31/10/2006:

(1) How many age and disability pensioners does the Government anticipate

- a. lose all payments and
- b. have their payment reduced

by the 2006 Budget measure to increase the number of reviews of non home real estate asset values?

(2) Please provide update to question on notice HS32 from the November 2005 Senate Estimates on real estate holdings?

(3) Please provide update to answer HS 65 question on notice during the November 2005 Senate Estimates regarding Unreasonable to Live at Home Assessments for Youth Allowance for 2005-06?

(4) Please provide update of HS45 regarding Indigenous appeals (including appeals to the Original Decision Maker) from the November 2005 Senate Estimates?

Answer:

Note: Centrelink, The Department of Employment and Workplace Relations, The Department of Education, Science and Training and the Department of Families, Community Services and Indigenous Affairs signed a Protocol for the Release of Social Security Information on 22 September 2006; as such cells containing customer numbers between 0 and 19 inclusive will show the value '<20'. 'N/A' (as in 'not available') will be inserted in a cell, including the 'total' cell, when it may be possible to estimate customer number(s). This will prevent individuals being identified, and to cover the legal requirement to protect an individual's privacy. Cells containing information other than payment recipient numbers may show figures of less than 20 providing customer privacy is maintained.

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- (1) Question has been transferred to Department of Families, Community Services and Indigenous Affairs to provide response.
- (2) Parts 2 to 7 of HS32 from the November 2005 Senate Estimates related to real estate holdings. Updated tables outlining Centrelink review activity on customer real estate holdings have been provided below.

Table 1 provides data on the number and payment types of customers with real estate holdings that are additional to their own home.

Table 1

Payment Type	Customers With Real Estate (other than own home)
Age Pension	122,976
Disability Support Pension	41,201
Parenting Payment Single	25,122
Newstart Allowance	17,432
Parenting Payment Partnered	9,182
Carer Payment	9,174
Partner Allowance	4,138
Widow Allowance	3,309
Exceptional Circumstances Payment	2,355
Wife Pension (DSP)	2,183
Austudy	1,416
Wife Pension (Age)	1,187
Newstart Mature Age Allowance	722
Youth Allowance	601
Sickness Allowance	541
Farm Family Restart Scheme	171
Abstudy	83
Special Benefit	38
Bereavement Allowance	<20
Widow Pension class B	<20
TOTAL	N/A

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Table 2 provides details on Centrelink review activity for 2005-06. Details for 2002-03 to 2004-05 have previously been provided (refer HS32, from November 2005 Senate Estimates). Details for 2002-03 are unable to be provided.

Table 2 - Centrelink Review Activity for Real Estate – Financial Year 2005-06

Program	Number of Reviews Completed	Number of Cancellations	Reductions in Payment [1]	Fortnightly Savings \$
Age Pension [2]	36,125	499	10,334	997,532
Austudy Payment	<20	<20	<20	1,030
Carer Payment	188	<20	59	4,695
Disability Support Pension [3]	584	<20	176	15,701
Family Allowance [4]	<20	<20	<20	115
Family Tax Benefit	<20	<20	<20	0
Newstart Allowance [5]	157	<20	24	4,586
Parenting Payment Partnered	70	<20	20	5,447
Parenting Payment Single	31	<20	<20	5,947
Partner Allowance	591	50	104	18,918
Sickness Allowance	<20	<20	<20	465
Widow Allowance	<20	<20	<20	940
Youth Allowance	<20	<20	<20	0
TOTAL	37,782	582	10,745	1,055,376

Notes:

[1] Reductions in payment include cancellations.

[2] Age Pension includes Age Pension-Blind, Wife Pension-Age and Widow Pension.

[3] Disability Support Pension (DSP) includes Disability Support Pension-Blind, Disability Wage Supplement, Wife Pension-DSP and Wife Pension Rehabilitation Allowance.

[4] Newstart Allowance includes Mature Age Allowance, Mature Age Partner Allowance and Newstart Mature Age.

[5] Special Benefit includes Bereavement Allowance, Exceptional Circumstances Payment, Farm Family Restart and Financial Support Loan.

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Table 3 provides details on Centrelink review activity on the 2006-07 financial year to 31 October 2006.

Table 3 - Centrelink Review Activity for Real Estate – Financial Year 2006-07 – 31 October 2006

Program	Number of Reviews Completed	Number of Cancellations	Reductions in Payment [1]	Fortnightly Savings \$
Age Pension [2]	12,891	325	4,241	436,716
Austudy Payment	<20	<20	<20	337
Carer Payment	88	<20	24	1,903
Disability Support Pension [3]	267	<20	92	9,020
Family Tax Benefit	<20	<20	<20	0
Newstart Allowance [4]	73	<20	21	4,027
Parenting Payment Partnered	32	<20	<20	1,716
Parenting Payment Single	<20	<20	<20	1,654
Partner Allowance	159	<20	29	6,510
Special Benefit [5]	<20	<20	<20	0
Widow Allowance	<20	<20	<20	14
TOTAL	13,537	358	4,421	461,897

Notes:

[1] Reductions in payment include cancellations.

[2] Age Pension includes Age Pension-Blind, Wife Pension-Age and Widow Pension.

[3] Disability Support Pension (DSP) includes Disability Support Pension-Blind, Disability Wage Supplement, Wife Pension-DSP and Wife Pension Rehabilitation Allowance.

[4] Newstart Allowance includes Mature Age Allowance, Mature Age Partner Allowance and Newstart Mature Age.

[5] Special Benefit includes Bereavement Allowance, Exceptional Circumstances Payment, Farm Family Restart and Financial Support Loan.

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Table 4 provides details on appeals against real estate review outcomes for the 2005-06 financial year:

Table 4

2005-06	ARO	SSAT	AAT	
			Secretary	Customer
Received	535	136	<20	31
Affirmed	383	78	<20	<20
Varied	39	<20	<20	<20
Set Aside	88	37	<20	<20
Withdrawn	20	<20	<20	<20
Dismissed/No Jurisdiction	<20	<20	<20	<20

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).

(3) HS65 from 2005 consisted of a number of questions as below:

1. Can we have the number of 'unreasonable to live at home' claims for Youth Allowance, and the numbers rejected in the year 2004-2005?
2. Could we get a breakdown of the time taken to process these claims?
3. Of the claims that were rejected can we have data on the numbers that were appealed to the Original Decision Maker, The Authorised Review Officer, the Social Security Appeals Tribunal and The Administrative Appeals Tribunal, and the outcome of the appeal?
4. How many of these claims were withdrawn?
5. What is the percentage of Social Work time taken up in assessing these claims?

Statistics below are for 2005-06:

1. There were 56,528 claims for Youth Allowance 'Unreasonable To Live At Home' in 2005-06. Of these, 15,318 were rejected¹.
2. The timeliness standard for Youth Allowance claims in general is 70 per cent of claims within 21 days. There is no specific timeliness standard for 'Unreasonable To Live At Home' claims in recognition of the complexity of the cases being assessed. The time taken to process claims can vary considerably depending on factors such as family circumstances and the availability of parents and third parties. In some cases the assessment may be prolonged as the family may be referred to a mediation service such as Reconnect as part of the assessment. Every effort is made to complete the assessment process within 21 days.

¹ Taken from the Social Work Information System

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3. Appeals with regard to ‘Unreasonable To Live At Home’ cases in 2005-06 are set out in the table below:

		Affirmed	Set aside	Varied	Withdrawn	Dismissed	No jurisdiction
ODM	Reasonable to live at home	241	120	19	7		
	Not Independent	251	159	43	11		
	Supported by Parent/guardian	123	89	14	12		
ARO	Reasonable to live at home	94	4	7	9		
	Not Independent	64	22	5	6		
	Supported by Parent/guardian	29	12	5	2		
SSAT	Reasonable to live at home	11	3		2	1	
	Not Independent	9	1	1			
	Supported by Parent/guardian	4			1	1	
AAT	Reasonable to live at home				1		
	Not Independent				1	1	
	Supported by Parent/guardian	1					

Note: The ‘reasonable to live at home’ category contains all ‘reasonable to live at home’ cases. However, the two other categories (not independent & supported) may also contain ‘reasonable to live at home’ cases. This is because the law states a Youth Allowance customer who cannot live at home is regarded as independent. Therefore, some ‘reasonable to live at home’ cases would have been coded as ‘not independent’ or ‘supported’. The ‘supported by parent/guardian’ category is also included because ‘reasonable to live at home’ cases would also have been coded using this reason.

4. In 2005-06, there were 4,045 claims for Youth Allowance ‘Unreasonable To Live At Home’ that were withdrawn.
5. ‘Unreasonable To Live At Home’ Assessments constitute 18 per cent of overall referrals to the Social Work Service for 2005-06. These assessments for are more time consuming than other Social Work activities. As such they make up a much larger proportion of Social Work workload.

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(4) HS45 from 2005 consisted of a number of questions as below:

1. Please provide a breakdown of appeals by Indigenous customers to AROs, the Social Security Appeals Tribunal and the Administrative Appeals Tribunal, by payment type and state and territory. Please also indicate the outcome of these appeals (affirmed/rejected).
2. Can you outline what steps are being taken by Centrelink to increase appeal rates amongst Indigenous customers?

Statistics below are for 2005-06:

1. Please see **Attachment A**. The figures were compiled from Centrelink's records. The actual figures may be higher, as not all Indigenous Centrelink customers choose to identify themselves as such. Please note the differences in the 'received' and 'finalised' figures, as not all reviews are finalised in the same period they are received.

Centrelink has broadened the definition of what constitutes a request for review. This means that customers do not need to use exact terminology to request a review and a general query relating to their payment can lead to a review of decision.

2. Centrelink undertakes a range of activities designed to increase appeal rates among Indigenous customers including:
 - Centrelink's Indigenous Service Officers having contact with Indigenous customers who are unhappy with, or disagree with a Centrelink decision. Indigenous Service Officers help facilitate communication between the customer and other staff, including Authorised Review Officers, whose main function is to review decisions made under Social Security Law, Family Assistance Law and other legislation administered by Centrelink. Indigenous Service Officers often resolve matters informally, however, they advise the customer of their rights and assist them through the review and appeal process if necessary.
 - Promoting the appeal process while delivering information sessions to the Indigenous community regarding Centrelink's payments and programs. These sessions aim to provide customers with details about the conditions of receiving Centrelink payments in order to better inform customers of their rights and obligations.
 - Provision of cultural consultancy to Centrelink's National and Area Participation Solutions Teams by Indigenous Service Officers. This ensures Indigenous issues are factored into decisions that may impact on the application of a Participation Failure or whether an Indigenous customer should be referred for Financial Case Management after the third Participation Failure has been applied and an eight-week non-payment period applies.
 - Training in the review and appeals process for Centrelink staff and Centrelink's Agent Network.
 - Active promotion of key messages around review and appeals through the Department of Human Services' Indigenous Ambassadors and other major community events, such as Croc Festivals and Human Services' Access Expos.

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To prepare this answer it has taken approximately 5 hours and 56 hours at an estimated cost of \$318.