

OAIC - FOI

From: WESTON, Diana (LEAVE)
Sent: Tuesday, 20 June 2023 4:39 PM
To: GHALI,Sarah; CASTALDI,Andre
Subject: FW: Senate Estimates - Services Australia - 31 May 2023 [SEC=OFFICIAL]
Attachments: Further information about Celebrite.docx; Community Affairs Legislation Committee transcript - 31 May 2023.pdf

Hi Sarah and Andre

Please see below the summary of **Services Australia's** Estimates appearance, prepared by Nicole and Emily.

Thanks
Diana

From: BILAC,Nicole <Nicole.Bilac@oaic.gov.au>
Sent: Monday, June 19, 2023 1:21 PM
To: WESTON,Diana <Diana.Weston@oaic.gov.au>
Cc: MCPHEE,Emily <Emily.McPhee@oaic.gov.au>
Subject: Senate Estimates - Services Australia - 31 May 2023 [SEC=OFFICIAL]

Hi Diana

I have reviewed the transcript for **Services Australia's** appearance before the Community Affairs Legislation Committee on Wednesday 31 May 2023 2023, pages 1-60 of the attached transcript.

Please see a summary of the relevant matters discussed below.

Services Australia (the Agency)

Committee: Community Affairs Legislation Committee

Time: Wednesday 31 May 2023 9:05am – 3:33pm.

Appearing:

Hon. Don Farrell, Special Minister of State and Minister for Trade and Tourism (representing the Minister for Social Services)

Rebecca Skinner PSM, Chief Executive Officer of Services Australia

Mr Chris Birrer, Deputy Chief Executive Officer, Royal Commission Response Team; and Acting Deputy Chief Executive Officer, Payments and Integrity

Ray Griggs AO CFC, Secretary of the Department of Social Services

Ms Cathy Toze, General Manager, Indigenous, Tailored Programs and Income Management

Mr Jonathon Thorpe, Acting Deputy Chief Executive Officer, Customer Service Design

(Please see attached transcript for the full list)

Senators asking about the issues: Senators Brockman, Rice and Urquhart.

Issues:**MyGov**

- Senator Farrell in his opening statement advised that the government is investing \$134.5 million in myGov infrastructure, including \$120.1 million in 2023-24, to ensure that it remains secure and easy to use. This investment will also support the new myGov app, including the addition of digital credentials.

PwC

- Senator Rice sought information about the operational review of the Robodebt scheme undertaken by PwC in 2017. Senator Rice expressed concerns that PwC were paid \$1 million to conduct a review which only delivered a PowerPoint presentation for the Minister for Government Services and no report. PwC also did not identify any legality issues with the Robodebt scheme in their review. Based on this information, Senator Rice asked whether there had been any assessment on the use of PwC in further contracts by Services Australia?
 - Ms Skinner responded stating that Services Australia has two current contracts with PwC and that they are under review.
- Senator Rice asked whether the PwC tax scandal will influence Services Australia's willingness to use PwC in the future.
 - Ms Skinner responded stating that Services Australia will follow the requirements set out by the Department of Finance when evaluating contract bids.
- Senator Rice asked what Services Australia are doing to protect information being handled by contractors, given the PwC scandal.
 - Ms Skinner responded stating that Services Australia are not doing anything specific, however, more broadly, they have centralised procurement so that it now sits in one area under the Chief Financial Officer. This will ensure consistency in the application of the measures introduced by the Department of Finance.

APS Code of Conduct investigation – information management

- Senator Urquhart sought further information about the APS Code of Conduct investigation that was discussed during the last round of Senate estimates. Senator Urquhart asked Ms Skinner to confirm whether two of Senator Reynolds' former ministerial staff were investigated over their conduct in her ministerial office when she was Minister for Government Services.
 - Ms Skinner did not want to confirm the number of people involved as it is a small office and she wanted to manage everyone's privacy.
 - Ms Skinner confirmed that the matters related to information management.
- Senator Urquhart asked Ms Skinner to confirm whether "in the days after the 2022 federal election, when Senator Reynolds and her Liberal Party colleagues were voted out and she was packing up her ministerial offices, Services Australia detected that Senator Reynolds's office was transferring a large volume of data off the government network".
 - Ms Skinner refused to answer any further questions on the matter, only stating that the investigations related to improper information management.

Use of spyware – Cellebrite

- Senator Rice referenced Services Australia's use of Israeli spyware technology, Cellebrite, which allows cracking into smartphones and copying all data. Services Australia only uses the technology for serious noncompliance.
- Senator Rice asked for:
 - a list of all agencies that that Services Australia are sharing the use of Cellebrite with and what other similar technologies they are using
 - if there is a standard process for communicating with people that these spyware technologies are going to be used in their phone and that there is a potential that all of the data on their phone is going to be copied
 - what kind of metadata is requested or is gathered using Cellebrite
 - how long collected data is stored for
 - where it is stored, and who has access to it
 - If they have a deletion policy
 All of these questions were taken on notice.
- Further information has been included in the attached document.

Energy Price Relief Plan – disclosure of personal information to energy providers

- Senator Rice asked questions relating to Services Australia's involvement in the Energy Price Relief Plan.
 - Mr Thorpe responded stating that Services Australia is supporting the measure by:
 - Connecting energy providers with the Centrelink confirmation e-services. This ensures providers are able to check customer eligibility, with customer consent.

- Facilitating an online portal to enable customers to provide consent by contacting Services Australia and authorising their information to be disclosed to the provider.

Family and domestic violence pilot – disclosure of personal information to external organisations

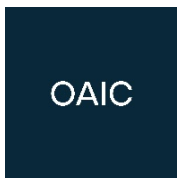
- Senator Brockman asked questions regarding the family and domestic violence pilot program.
 - Ms Toze advised that the pilot provides support to people who contact the agency in relation to child support and indicate that they have experienced family and domestic violence. The support includes an assessment of the individuals circumstances and may involve making referrals to external organisations when required.
 - The pilot also supports customers to make sure their child support arrangements are in place and ensure their details are updated throughout different programs in the agency to offer that further level of protection. For example, making sure their address is not visible to the partner.
 - It is a three year pilot.

Next steps: for noting only.

Please let me know if you need any further information.

Kind regards

Nicole



Nicole Bilac (she/her)
Policy Adviser
Office of the Australian Information Commissioner
Adelaide | GPO Box 5288 Sydney NSW 2001
P +61 2 9942 4234 **E** nicole.bilac@oaic.gov.au

The OAIC acknowledges Traditional Custodians of Country across Australia and their continuing connection to land, waters and communities. We pay our respect to First Nations people, cultures and Elders past and present.

[Subscribe to Information Matters](#)

Senate Estimates – Services Australia – 31 May 2023

Further information about Cellebrite

- Senator Rice asked what the threshold is for serious noncompliance.
 - Mr Birrer advised that serious noncompliance means an investigation that is commencing as a criminal investigation. Sometimes, the investigation does not meet the standards required for Services Australia to refer it as a brief of evidence for the Commonwealth Director of Public Prosecution to consider, and that is why the term serious noncompliance is used.
- Senator Rice asked who determines whether the Cellebrite technology is used and whether Services Australia has a policy related to its use.
 - Mr Birrer advised that there is a process by which any investigation is considered. “Quite often, these technologies are used to examine a suspect's device. That occurs following the execution of a search warrant, and so that requires engagement with the Australian Federal Police, who execute that search warrant. [Services Australia] provide forensic services to assist, again, to see about evidence that supports the elements of any offence that's under investigation.”
 - There is layered decision-making around the operational governance of the investigations. It is a technology that is used by a small number of Services Australia forensic investigators.
- Senator Rice asked whether Cellebrite is only used in conjunction with the AFP.
 - Mr Birrer advised that he would have to take that on notice, but generally, yes.
 - Cellebrite is only deployed in investigations where a warrant is obtained.
- Senator Rice asked whether people under investigation are made aware that Cellebrite is going to be used on their phones.
 - Mr Birrer advised that people are always given the opportunity to participate in an interview, so they are aware that their devices will be examined.
- Senator Rice advised that Cellebrite technology had been used on the phone of a woman receiving carer payments who was under investigation by Services Australia regarding her relationship status. The woman told iNews that, despite receiving a letter from the Commonwealth Director of Public Prosecutions saying fraud charges would not be laid, Services Australia continued to pursue her alleged debt as a non-compliance process. Senator Rice asked, if there had been a decision by the CDPP to not lay fraud charges in relation to a person claiming single payments, why would Services Australia pursue a debt relating to the relationship status as a non-compliance action.
 - Mr Birrer stated that even if there is not a criminal investigation, there can still be the general customer compliance issues that look at eligibility for a payment and whether a person was receiving the right payment. An overpayment can, therefore, be identified separate from a criminal investigation.
- Senator Rice pointed out that Services Australia's policy is to only use the Cellebrite technology if the matter is headed towards a criminal investigation.
 - Mr Birrer confirmed that is the case. When Services Australia use the technology for an investigation, “it does not preclude our standard customer compliance activities as part of the integrity of government outlays”.
- Senator Rice stated that “in March, Australia signed a joint statement with the United States and several other countries arguing for strict controls on the use of spyware technology, and, in signing the statement, Australia committed to establishing procedures to ensure that any

commercial spyware use by our government is consistent with respect for universal human rights, the rule of law, and civil rights and civil liberties. What steps has Services Australia taken to uphold this commitment with regard to the use of Cellebrite?”

- Mr Birrer advised that the question would be better suited for the Attorney-General’s Department and that Services Australia would not characterise the tool, which is a legitimate investigation tool, as commercial spyware. He advised that the technology is applied consistently with Australian law.



COMMONWEALTH OF AUSTRALIA

Proof Committee Hansard

SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Estimates

(Public)

WEDNESDAY, 31 MAY 2023

CANBERRA

CONDITIONS OF DISTRIBUTION

This is an uncorrected proof of evidence taken before the committee.
It is made available under the condition that it is recognised as such.

BY AUTHORITY OF THE SENATE

[PROOF COPY]

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Wednesday, 31 May 2023

Members in attendance: Senators Askew, Brockman, Davey, Liddle, David Pocock, Pratt, Reynolds, Rice, Ruston, Marielle Smith, Steele-John and Urquhart

SOCIAL SERVICES PORTFOLIO

In Attendance

Senator Ayres, Assistant Minister for Trade, Assistant Minister for Manufacturing

Senator Farrell, Special Minister of State, Minister for Trade and Tourism

Department of Social Services

Executive

Mr Ray Griggs AO, CSC, Secretary

Mr Pat Hetherington, Chief Operating Officer

Ms Letitia Hope, Deputy Secretary, Families and Communities

Mr Matt Flavel, Deputy Secretary, Social Security

Ms Robyn Shannon, Acting Deputy Secretary, Disability and Carers

Cross Outcomes

Mr Pat Hetherington, Chief Operating Officer

Ms Letitia Hope, Deputy Secretary, Families and Communities

Mr Matt Flavel, Deputy Secretary, Social Security

Ms Robyn Shannon, Acting Deputy Secretary, Disability and Carers

Mr Andrew Harvey, Chief Finance Officer, and Group Manager, Finance

Ms Emma White, Acting Chief Counsel, Legal Services

Mr Bruce Taloni, Group Manager, Portfolio Coordination

Mr Mark le Dieu, Group Manager, Community Grants Hub

Mr Richard Baumgart, Group Manager, Corporate

Ms Mardi Stewart, Branch Manager, Campaigns and Strategic Communication

Ms Jennie Armstrong, Branch Manager, Audit and Assurance

Outcome 1: Social Security

Mr Matt Flavel, Deputy Secretary, Social Security

Mr Troy Sloan, Group Manager, Pensions, Housing and Homelessness

Ms Jo Evans, Group Manager, Participation and Family Payments

Ms Gemma Van Halderen, Group Manager, Data and Evaluation

Mr Ben Peoples, Branch Manager, Participation and Supplementary Payments

Mr Andrew Seebach, Branch Manager, International Payments and Compliance

Ms Agnieszka Nelson, Branch Manager, Families and Payment Support

Ms Gillian Beer, Branch Manager, Payment Structures and Seniors

Ms Caitlin Delaney, Branch Manager, Housing and Homelessness Strategy and Data

Mr Alex Abel, Branch Manager, Carer, Disability and Student Payments

Outcome 2: Families and Communities

Ms Letitia Hope, Deputy Secretary, Families and Communities

Mr Patrick Burford, Group Manager, Communities

Ms Emma Kate McGuirk, Group Manager, Redress

Ms Tarja Saastamoinen, Group Manager, Families

Ms Greta Doherty, Group Manager, Women's Safety

Mr Patrick Boneham, Branch Manager, Income Management Policy and Technology

Mr Chris D'Souza, Acting Group Manager, Community, Policy and Engagement

Mr Tim Crosier, Branch Manager, Children's Policy

Ms Amber Shuhyta, Branch Manager, National Policy

Outcome 3: Disability and Carers

Ms Robyn Shannon, Acting Deputy Secretary, Disability and Carers
Ms Jodi Cassar, Acting Group Manager, NDIS Participants and Performance
Ms Katrina Chatham, Acting Group Manager, Disability Employment and Carers
Mr Luke Mansfield, Group Manager, Disability Strategy
Mr Ross Schafer, Acting Group Manager, Strategic Policy, Markets and Safeguards
Ms Emily Hurley, Branch Manager, NDIS Finance and Performance
Ms Julie Yeend, Branch Manager, NDIS Governance, Policy and Legislation

Outcome 4: Housing

Mr Matt Flavel, Deputy Secretary, Social Security
Mr Troy Sloan, Group Manager, Pensions, Housing and Homelessness
Ms Julia Chandra, Branch Manager, Housing and Homelessness Policy
Mr Rob Stedman, Branch Manager, Housing and Homelessness Program Delivery
Ms Caitlin Delaney, Branch Manager, Housing and Homelessness Strategy and Data

Services Australia

Ms Rebecca Skinner PSM, Chief Executive Officer
Ms Susie Smith, Deputy Chief Executive Officer, Strategy and Performance
Ms Lisa Carmody, General Manager
Mr Charles McHardie AM, Chief Information and Digital Officer, Technology and Digital Programs
Mr Chris Birrer, Deputy Chief Executive Officer, Royal Commission Response Team; and Acting Deputy Chief Executive Officer, Payments and Integrity
Mr Jason Lucchese, General Manager, Fraud Control and Investigations
Mr Robert Higgins, General Manager, Payment Assurance Programme and Appeals Division
Mr Jarrod Howard, Deputy Chief Executive Officer, Customer Service Delivery
Ms Kirsty Faichney, Deputy Chief Executive Officer, Health and Aged Care
Mr Jonathon Thorpe, Acting Deputy Chief Executive Officer, Customer Service Design
Mr Tony Piazza, General Manager, Families and Children
Ms Cathy Toze, General Manager, Indigenous, Tailored Programs and Income Management
Ms Juliette Edwards, Acting General Manager, Working Age and Pensions Programme
Mr Russell Egan, Chief Operating Officer, Corporate Enabling
Ms Angela Diamond, Chief Financial Officer, Chief Financial Officer
Ms Lily Viertmann, General Manager, Corporate and Cross Government Services
Mr Michael Nelson, General Manager, Workplace Relations
Ms Cate Saunders, General Manager, People
Mr Jeffrey Derix, Acting General Counsel, Legal Services

National Disability Insurance Agency

Ms Rebecca Falkingham, Chief Executive Officer
Mr David Gifford, Scheme Actuary
Mr John Dardo, Chief Transformation Officer
Ms Penelope McKay, Deputy Chief Executive Officer, Market Stewardship and Home and Living
Mr Scott McNaughton, Deputy Chief Executive Officer, Service Delivery
Ms Corri McKenzie, Deputy Chief Executive Officer, Service Design and Improvement
Ms Debbie Mitchell PSM, Deputy Chief Executive Officer, Governance, Risk and Integrity
Mr Sam Porter, Chief Operating Officer
Mr Matthew Swainson, Chief Counsel
Mr Mark Sullivan, Chief Risk Officer

Ms Phoebe Thompson, Acting Chief Financial Officer

NDIS Quality and Safeguards Commission

Ms Tracy Mackey, Commissioner

Ms Catherine Myers, Deputy Commissioner, Regulatory Operations Providers

Ms Sian Leathem, Complaints Commissioner

Ms Lisa Pulko, Chief Operating Officer

Ms Niki Strachan, Acting Assistant Commissioner, Planning, Performance and Engagement

Australian Institute of Family Studies

Hon. Dr Sharman Stone, Director

Dr Michael Alexander, Chief Operating Officer

Dr Rae Kaspiw, Research Director, Systems and Services

Dr Lisa Mundy, Program Lead, Longitudinal Study of Australian Children—Growing Up in Australia

Dr Sean Martin, Program Lead, Australian Longitudinal Study on Male Health—Ten to Men

Mr Robert Oliphant, Chief Financial Officer

Domestic, Family and Sexual Violence Commission

Ms Micaela Cronin, Commissioner

Ms Jessica Guthrie, Assistant Commissioner

Committee met at 09:02

CHAIR (Senator Marielle Smith): I declare open this hearing of the Community Affairs Legislation Committee into the 2023-24 budget estimates. I begin by acknowledging the traditional custodians of the land on which we meet today and pay my respects to their elders past and present. I extend that respect to Aboriginal and Torres Strait Islander people here today.

The committee has fixed Friday 14 July 2023 as the date for the return of answers to questions taken on notice. The committee would appreciate it if senators could provide any written questions on notice to the secretariat by Friday 16 June 2023.

Under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence.

The Senate has endorsed the following test of relevance of questions at estimates hearings. Any questions going to the operations or financial positions of the departments and agencies which are seeking funds in estimates are relevant questions for the purpose of estimates hearings. I remind officers that the Senate has resolved that there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees, unless the parliament has expressly provided otherwise. The Senate has resolved also that an officer of a department of the Commonwealth shall not be asked to give opinions on matters of policy and shall be given reasonable opportunity to refer questions asked of the officer to superior officers or to a minister. This resolution does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Witnesses are reminded of the Senate order specifying the process by which a claim of public interest immunity should be raised. I incorporate the public immunity statement into the *Hansard*.

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

CHAIR: I remind all senators that, as we continue our work implementing the *Set the standard* report, as chair I will ensure that proceedings are conducted in an orderly, respectful and courteous way.

Services Australia

[09:05]

CHAIR: I would now like to welcome Senator the Hon. Don Farrell, Special Minister of State and Minister for Trade and Tourism, representing the Minister for Social Services. Minister, do you wish to make an opening statement?

Senator Farrell: Yes, I do. This is a statement on behalf of Mr Shorten.

Senator REYNOLDS: Sorry, Chair. The minister is speaking very softly. Could we get his microphone turned up so we can hear? And a copy.

CHAIR: Please proceed, Minister.

Senator Farrell: I do speak softly, but carry a big stick. I would like to begin by saying how shocked and saddened I was by last week's serious incident at Services Australia's Airport West service centre in Melbourne. This is a sad time for Services Australia and for frontline officers across Australia. My thoughts are with the staff member who was injured, their family and the staff and customers who witnessed the incident. These staff come to work every day to support Australians, and we need to support them. Frontline workers and first responders should be able to return home safely from work every day, but increasingly this isn't the case. It's time to draw a line in the sand. That's why the government has announced a security risk-management review for Services Australia, to be led by the former chief commissioner of Victoria Police Graham Ashton. The review's terms of reference will take into account the agency's already strong security but will examine what can be done better to deter future incidents. It's a sad reality that we cannot reduce risk to zero, but we can do everything in our power to combat it.

More broadly, Services Australia, as an agency responsible for delivering government services and support, plays a critical role in the lives of Australians, often when they are at their most vulnerable. In recognition of the agency's critical role in supporting Australians, the government's last budget includes significant investment to sustain and strengthen the agency's ability to deliver government services to those who need them most, including during emergencies and natural disasters. Services Australia plays an integral role in delivering government payments and support to Australians affected by disasters and emergencies. The flood events, bushfires, pandemic and other natural disasters across Australia in recent years have shown the agency's responsiveness in providing essential support to stricken communities. This includes not just ever-faster emergency payments, which can now be processed within minutes of claims being received, but also the on-the-ground support from frontline officers to help those affected by disasters obtain the assistance they need. In the past 12 months, the agency has processed over 160,000 claims for emergency assistance and paid over \$105 million to support more than 105,000 Australians affected by floods and cyclones. I'd like to take this opportunity to thank and commend officers in the agency for working closely with affected communities to ensure people get access to the right payments as quickly and simply as possible. In recognition of this effort, the government has allocated \$231.8 million under its 'Administration of emergency response payment' budget measures. Through this funding the government is providing certainty for Australians, with an additional 850 dedicated and trained Services Australia staff ready to be mobilised during disasters to support communities including through on-the-ground emergency assistance.

Events such as natural disasters and the COVID-19 pandemic have shown the importance of quick, easy and secure online services that allow customers to connect effortlessly with the government services they need. The myGov platform plays a critical role in enabling access to these online services. This was confirmed by the myGov audit, which was overseen by an independent panel of experts chaired by the eminent Mr David Thodey AM. Recognising myGov as critical national infrastructure, the government will invest \$134.5 million, including \$120.1 million in 2023-24, to ensure that this essential government service remains secure and easy to use. This investment will also support the new myGov app, including the addition of digital credentials. This funding will provide confidence that myGov remains secure and stable in line with community expectations as the government formalises next steps from the audit in the coming months. MyGov will keep evolving as we build a world-class platform that genuinely unifies government digital services to make life easier for Australians.

Services Australia delivers government services on behalf of a wide range of Commonwealth departments and agencies. As a result it plays a significant role in supporting other agencies through the budget process. I would like to thank all those staff at Services Australia who over recent months have worked to help other departments and agencies develop a number of budget submissions.

Looking to the future, Services Australia will continue to strengthen its ability to put people at the centre of service delivery and provide Australians with the support they need, including expanding and improving online service delivery; ensuring that digital services are not only quick and easy to access but also secure and transparent; and improving the customer experience across non-digital channels, including its telephone and face-to-face services, to make sure no Australians are left behind. Australians can be assured that when they need support, be it ongoing help or emergency assistance, through digital channels or in person, Services Australia will deliver government services that are simple, helpful, respectful and transparent. Thank you.

CHAIR: Thank you, Minister. I welcome the secretary of the Department of Social Services, Mr Ray Griggs AO CFC, and the Chief Executive Officer of Services Australia, Ms Rebecca Skinner PSM. Secretary, do you wish to make an opening statement?

Mr Griggs: No, thank you.

CHAIR: Ms Skinner, do you wish to make an opening statement?

Ms Skinner: Yes, thank you, Chair. I can table copies as we go. I don't normally make an opening statement, but I would like to reiterate the comments from Minister Farrell on the incident we experienced at our Airport West Service Centre. Last week was a terrible and saddening week for Services Australia, with one of our staff violently attacked by a customer. Minister Shorten and I visited our injured colleague on Friday, and I hope she is recovering. Our hearts remain with her and the service centre staff who witnessed the attack and provided support in the aftermath.

We visited these staff at Airport West last week. Understandably, they're shocked by the traumatic events. I'm grateful they spent some time with me and my colleagues, sharing their views and experiences of this incident and working in the service centre environment more generally. We're listening and wrapping our arms around them with every possible support.

It's been touching to see the care and well wishes for our colleague. But I must call out that it has also been a time where I have felt dismayed and angered by some commentary suggesting this violent action against our staff member was justified. I want to be really clear: there's no excuse for violence or aggression towards Services Australia staff. Not now, not ever.

I'm deeply saddened that after the events of last week some of our staff have said they now feel fear instead of pride when wearing the blue Services Australia uniform. This isn't acceptable. They shouldn't have to feel this way. When communities are in need, Services Australia staff are there. Through fires, floods and the pandemic, they show up. Even when they fear for their own loved ones, even when their own homes are under threat or flooded, they choose to be the helping hands. Week after week our blue shirt brigade have supported and continue to support our communities to deliver the payments and services that many, many Australians rely on. They're far from faceless bureaucrats. They're the parents, siblings, children and friends of many Australians, and they're working hard across our communities to make a difference. They touch the lives of almost every Australian and most of the time it's a positive experience.

We know that in our delivery of services to customers we don't always get everything right. Our service system does sometimes falter and there are occasions when our customers feel let down or left behind. However, I can assure you our staff remain committed to doing their best.

Over the last few years, all of us in Services Australia have committed ourselves to the principles of being simple, helpful, respectful and transparent in our engagement with the people who need us. We ask for respectful interactions with our staff in return.

I'm determined we'll do all we can to support the staff from Airport West Service Centre and all our staff serving customers across the country, so they can get on with their important jobs without having to worry about their safety and without fear of violence. I'm committed to protecting our staff. It's why Mr Graham Ashton, the former Chief Commissioner of Victoria Police, is now leading an urgent review into our security measures. It will take into account the agency's already strong security basis, but examine what we can do better to deter future incidents. I met with Mr Ashton last week and he's meeting Airport West staff this week, as well as staff in other service centres. He'll bring his initial insights back to me within the next fortnight.

Like other frontline operations, we already have strong security frameworks in place. We know we can never reduce the risk to zero, but we can do everything in our power to deter violence. We'll look closely at Mr Ashton's recommendations to see what else we can do to bolster our safeguards and help prevent this ever happening again. Thank you.

CHAIR: Thank you, Ms Skinner. On behalf of the committee we express that our hearts are with your staff and particularly the staff member involved. I will call officers of Services Australia in terms of whole-of-portfolio and corporate matters and invite questions.

Senator REYNOLDS: Good morning, Minister, Mr Griggs and Ms Skinner. It's good to see you all again. Can I first also endorse and fully support on behalf of the coalition members of the committee what the chair has just said but also your statements. As a former minister, I know exactly about the amazing service that your staff give across the country in service centres and behind-the-scenes and how hard they work, what they do in the blue uniform. I agree with you, and I know all of us agree, that there is no place for violence and there is no excuse and it is not acceptable. On behalf of us all, I think the Ashton inquiry is a very good idea, and we look forward to seeing the outcomes of that and supporting the measures to make sure that your staff are as safe as possible and go home every day safe and sound to their families. So thank you for those opening words.

Ms Skinner: Thank you very much, Senator.

Senator BROCKMAN: Could I ask a question in this area. I assume there is a police investigation on foot as well?

Ms Skinner: Yes. There is both a police investigation and, as you would expect as it was a workplace incident, there's a Comcare investigation.

Senator BROCKMAN: In terms of Mr Ashton's inquiry, is that looking at the particular incident as well as the more general security picture? Or is it just the more general security picture?

Ms Skinner: Mr Ashton's inquiry and the terms of reference will look at the security and arrangements in the broad inside the agency. We are supporting both the police and the Comcare investigation into the actual incident.

Senator REYNOLDS: To start off with can we table my attachment 1, which is the summary of services provided and the strategic outcomes, the 2022-23 snapshot, which I think is a good summary for all of us.

I'd like to move to performance measures—customer service within 15 minutes. In light of my opening comments and in terms of the great support that your staff provide, I'm wondering if you could summarise the service support of Services Australia staff across all of the different programs, how you engage and what channels you use to support and engage with customers.

Ms Skinner: Services Australia operates an integrated service delivery system. Predominantly the digital offering is coordinated through the myGov platform, but there are also underpinning online services for child support, the Centrelink program and the Medicare program. That's combined and integrated with a large call centre capability. Those capabilities are distributed across the nation. That includes a 24/7 call centre capability which is occasionally used to support other parts of government and the state government should they need additional call centre capability. As you are also aware, it has been used for other capabilities, like telephone voting and the census. So it offers a national capability. We also have a face-to-face service offering. That includes 318 service centres around the country. It also includes mobile service centres and another 300 to 400 agents and access points, which provide points of presence for citizens to access the services.

So that is the way in which the budget is applied to the service delivery system and the underpinning technology and enabling capabilities that go with that. That would be the broad canvas of what we do. We support, as you are aware, a whole range of other agencies, such as Home Affairs in terms of emergency payments and citizenship testing. We support Employment with some of the mutual obligations arrangements and the childcare subsidy as well. So there is a range of things that we do as a national capability.

Senator REYNOLDS: What are your current staffing levels?

Ms Skinner: The current staffing is about 400 under the average staffing level for this year. The cap is 28,560 ASL for the 2022-23 financial year and we were at about 28,151 at the end of 30 March. We are actually just a bit higher than that now as we've entered into the final part of the financial year.

Senator REYNOLDS: Can you explain the importance of telephony. While we've got many different ways of engaging with Services Australia—online, in person and through various forms—what role does telephony play in terms of volumes, numbers and importance?

Ms Skinner: If you want telephony data, I can get Mr Howard to assist with that. In the broad, if you take 100 customers generally, the way we would describe it is 90 of them would do their business with us online and about nine of them would seek to phone us. Probably half of that nine would be able to do most of their business online. Of that nine, four would probably need our help or for some reason the online system hasn't been able to support them. Then one comes into a service centre. So telephony remains a very important piece of the service delivery system. But, as I have explained, it is a meshed capability.

Senator REYNOLDS: Of that nearly 10 per cent of customers who still use telephony, what are the reasons? Who still uses that and why?

Ms Skinner: Many of them come in and use what's called the interactive voice system. For telephone banking, you can speak in your information and the telephone system will handle that for you without you needing to speak to an operator. So that's one aspect of telephony. Do we have the top five things that people ring for?

Mr Howard: There is a wide variety of things customers will call us for. It depends on the business that the customer has with the agency, what sort of support payment they're on. They'll call to check balances. They'll call for general inquiries about their payments. They'll call to check on why they've been paid a particular amount of money. There is a variety of reasons depending on the claim type, and the reasons change based on that claim type. The top five reasons will change depending on the claim.

Senator REYNOLDS: And obviously it increases during a disaster. If people don't have digital access during a natural disaster, they'll phone and then the volume grows significantly. What about age profile—for example, older people?

Ms Skinner: There is some evidence of that, but we're probably more myth busting on that one. There's an assumption that the older you are the more likely you are to telephone, but we have a very capable digital nation so many of them do. I think it's also worth pointing out that there is a phone offering in the social security and welfare space, but we also provide the phone service for the pharmaceutical benefits authorities and the MBS, so doctors phone us and providers phone us. The child support offering is a telephone offering. There is the organ donor line. Those sorts of things are all part of the broader telephony offer.

Senator REYNOLDS: So how many people do you have allocated to dealing with phone calls? How does that work, Mr Howard?

Mr Howard: When we train a staff member we allocate a skill tag to them, depending whether they're trained on a particular telephony skill or processing skill. We manage a national enterprise in relation to both telephony and processing. Quite often a staff member will be skilled in both and we will move that staff member on a daily basis depending on what the priorities are and the customer traffic we see coming into the network. It's difficult for me to say a specific number.

Senator REYNOLDS: So is it fair to say that you don't have dedicated telephony staff but you have staff across the organisation who can and are allocated calls according to what they're trained on?

Mr Howard: Yes. We don't have dedicated staffers who just manage telephones. There might be a few staff who only have telephony skills, but the vast majority of our staff will have the ability to answer telephones and process claims, and we will move them between their skill sets. They may be trained across different claim types. You might have a skill tag to answer telephones in the family line. You might also be able to do that in older Australians. The priorities we set in the centre determine what calls you get and what processing allocations you get.

Senator REYNOLDS: Can we come to the numbers? I'd like a bit more specificity now. I know you have the numbers there, Mr Howard. For the year to date how many calls have you answered across all programs?

Mr Howard: Was that answered calls, sorry?

Senator REYNOLDS: How many calls altogether has Services Australia answered in the year to date?

Mr Howard: We've handled 32,310,937 calls in the Centrelink space, 2,111,791 in the health customer space and 3,369,865 in the health provider space. We've also taken—

Senator REYNOLDS: If you table that, it might be easier for everyone. Are you able to table that for us?

Mr Howard: We can.

Senator REYNOLDS: That would be very handy, thank you. So what's the grand total?

Ms Skinner: The telephony report has been tabled. It was requested of us, so it should be available.

Senator REYNOLDS: We haven't seen it. Have we got that?

Ms Skinner: We will double-table it?

Senator REYNOLDS: There it is. That would be even better, thank you.

Mr Howard: I apologise that I've got them by main program line. I don't have a sort of rolled up view, which is the reason I was reading them out that way.

Senator REYNOLDS: Is this the one that you were reading from?

Mr Howard: Yes.

Senator REYNOLDS: Okay. That makes it even easier. If you've got someone listening to this, do you reckon they could get a calculator and just add up how many of these calls—

Mr Howard: I'm sure they can.

Ms Skinner: I'll do it, Senator.

Senator REYNOLDS: Thank you very much, Ms Skinner!

Ms Skinner: You ask Mr Howard questions and I'll add up for you.

Senator REYNOLDS: These are 31 March. Do you have the last full financial year's figures as well? Do you have those to table as well?

Mr Howard: I do.

Senator REYNOLDS: Thank you. Can we start unpacking these numbers, and you might have some information that you can table. In relation to your strategic performance measures, one of the key ones is customers served within 15 minutes. First of all, in relation to telephony, have you got the figures, year-to-date, for how many have been within 15 minutes and how many have not, in aggregates?

Mr Howard: I have the overall agency level. For customers served within 15 minutes, in 2022-23 as at 31 March we were sitting at 60.4 per cent of customers served in—

Senator REYNOLDS: Sorry, could you say that again?

Mr Howard: For that particular performance measure—customers served within 15 minutes—in the 2022-23 financial year up until 31 March we were at 60.4 per cent.

Senator REYNOLDS: So 60.4 per cent were served within 15 minutes?

Mr Howard: That's right.

Senator REYNOLDS: Have you got a breakdown of that in terms of—

Mr Howard: I can take that on notice.

Senator REYNOLDS: That would be great. So that's for everybody, through all methods—so people walking in?

Mr Howard: That's all of our programs, yes.

Senator REYNOLDS: Are you able to break that down further into different channels of engagement?

Mr Howard: Yes.

Senator REYNOLDS: Have you got those with you?

Mr Howard: I don't have them with me but we can take it on notice.

Senator REYNOLDS: Okay. Is it up or down on last year?

Mr Howard: I can take on notice the exact figure, Senator, but I think we would be slightly down on last year's figure.

Senator REYNOLDS: What would you attribute that to?

Mr Howard: There are a couple of reasons, I think. As we came out of the pandemic last year we had a higher level of resources available to us in relation to managing the calls that were coming in. A number of those budget measures finished at the end of last financial year, so that would have contributed. We have had emergencies this financial year, which will have contributed to some of that. We were resourced for those emergencies but, as we manage and balance the demand across telephony and processing, sometimes that means resources are allocated to processing or telephony and vice versa. That can sometimes impact our overall results. We have seen demand in some areas increase and we have struggled in some areas to bring staff on board because of the tight labour market. All of those things will impact our strategic performance measures.

Senator REYNOLDS: Does that then link back to Ms Skinner saying that you're 400 under ASL at the moment?

Ms Skinner: That's right. I think we're just slightly under that—probably 380 under ASL or something like that—at the moment. But that's an average staffing level. That 380 that we're under is over the whole year. Mostly that's workplace pressure and mostly it is in other service delivery systems. So other groups doing program design, technology and strategy are not under their average staffing level.

Mr Howard: And I would say, Senator, there's been a lot of work going into bringing new recruits into the service delivery group. The labour market is tight, so getting the right skills and people has been difficult.

Senator REYNOLDS: Further to that, I think the minister's opening statement talked about the additional 850 people under ERP. I'll come back to that later to unpack it in a bit more detail, but, in terms of your ASL, are they contracted, are they part-time?

Ms Skinner: The 850 ASL will be permanent Public Service roles. I think one of the experiences of the last few years has been that emergencies are of an ongoing nature. Having to surge into getting extra staff and surge around the agency creates additional challenges to delivering other programs. The 850 will do two things. One is that it provides some funding for the underpinning technologies that are used when we do have an emergency requirement; and it will enable us to have a dedicated group of people who, when the emergency occurs, are ready and trained and qualified to take up the emergency work. Of course when there is an emergency other people will have that skill tag that Mr Howard spoke about in the agency, not only in Mr Howard's group, but there are a lot of Services Australia staff have an emergency skill tag, if you like, so if there's something very, very significant the agency is positioned to lean into that straightaway. With a dedicated workforce it means we have an ongoing capability that is fit for purpose immediately to get an emergency support underway.

Senator REYNOLDS: I'll leave that there for now. But that 850, is that in addition to the cap you currently have of 28,560 ASL, or is that included in that cap?

Ms Skinner: the 850 is included in the ASL allocated to the agency in this next financial year. The average staffing level for 2023-2024 will be 26,692. That's in the budget book page 185.

Mr Howard: The 850 is a budget measure for the next financial year. The agency has been cost recovered broadly for the emergency management for this financial year. As the CEO stated, part of the reason for the changes is to try and get a more enduring emergency management capability.

Senator REYNOLDS: Unfortunately I left my budget paper in the office. I just want to confirm this: the current ASL cap is 28,560, correct?

Ms Skinner: That is correct.

Senator REYNOLDS: And you say it's dropping to—

Ms Skinner: 26,692.

Senator REYNOLDS: So your ASL is dropping by just under 2,000. You currently have 400 under already. Are the 850 going to come out of the reduced cap, or are they going to be filled internally in terms of your current staff going into these 850 ASL?

Ms Skinner: The 850 is part of the 26,692. In our service delivery system we would have an attrition of a couple thousand people a year, so we are always in a process of having a pipeline and reshaping the workforce. Part of the 850 will be that there will be a group of people who will always maintain that skill tag and always be able to be redeployed. That's how we will manage it. As the ASL comes down from the post-pandemic high that we had and goes down to the new level, that 850 is within that 26,692.

Senator REYNOLDS: If I've got this right, your ASL has been cut by nearly 2,000 from 28,560 to 26,692, and out of that reduced ASL you have to reallocate 850 of those to these new ERP positions. So they're not new; you actually have a 2,000 reduction in your ASL and out of that reduced ASL you have to find 850 positions to reallocate. So these aren't new positions at all? These are actually rebadging current staff.

Ms Skinner: We've got ongoing funding for 850 roles that we would not have otherwise had without the budget measure.

Senator REYNOLDS: But you're being cut from 28,560 ASL to 26,692, of which you have to find 850 positions. So these aren't new positions at all, because you're actually reducing your staff and having to find 850 positions out of your reduced ASL to deliver these new positions.

Mr Howard: At the beginning of the financial year we were still dealing with a number of pandemic related payments, so the funding levels would reflect that we will not be dealing with those payments next financial year. The 850 is, as the CEO said, within that overall cap. We will have staff that we will be able to purpose into those positions. To the CEO's point, if we hadn't got that particular funding measure then we wouldn't have those 850 ASL to allocate to emergencies.

Senator REYNOLDS: So you're saying your ASL would actually be 25,000 and something—they would have actually cut you from 28,560 to 25,000 and something, and the cut would have been bigger?

Mr Howard: As the government agrees to budget measures we get resourced appropriately. As you would be aware, at the end of each financial year there are overs and unders in relation to budget measures that you're granted. The agency is funded to an ASL level. As the CEO stated, that's the level that we've been funded to for next financial year.

Senator URQUHART: I want to clarify why Services Australia is short on ASL. You can tell me if my understanding is correct. We talk about the degradation of ASL over the life of the coalition government. We've had funding falling off it and the surge workforce from pandemic ending. Is that the rationale about why we are faced with this short, why it's deemed to be short on ASL?

Ms Skinner: At the time of the Welfare Payment Infrastructure Transformation Program—it's almost 10 years ago that that commenced—that was a fully offset program. Funding is then removed from the baseline as you go forward. They're the current budget operating rules. So there was always some reduction in that baseline going forward. Senator Reynolds calling out a figure of 25,000 or so, that's where it may have landed. There was additional funding all through the pandemic to support the agency and deliver all the necessary services that it did deliver. We are returning to those post-pandemic—

Senator URQUHART: We're levelling down.

Ms Skinner: We are about back to where we were where we just prior to the pandemic. The 2019-2020 financial year had a very similar ASL number. In this case we're also including some dedicated capability to deliver in emergencies if it's required.

CHAIR: The media have requested permission to film the proceedings and the committee has agreed to this. I remind the media that this permission can be revoked at any time and the media must follow the directions of secretariat staff. If a witness objects to filming, the committee will consider this request. The media are also reminded that they are not able to take images of senators' or witnesses' documents or of the audience. Media activity may not occur during suspensions or after the adjournment of proceedings. Copies of resolution 3 concerning the broadcasting of community proceedings are available from the secretary.

Senator RICE: I want to start also by adding my comments to the comments of the chair and others about the awful incident at Airport West. We really feel for the safety and the risks that Services Australia staff are under. I also want to thank Ms Skinner and Mr Howard for hosting me at the call centre on Monday morning. It was a public holiday in the ACT, yet I was offered a tour nine o'clock on Monday morning, so thank you. It was really valuable for me to see some of the work that the department are doing.

I want to take you back to 2017 and Robodebt and the PwC review of compliance activities that was undertaken in 2017. We have the work order for the review of Robodebt, for almost \$1 million. There has been media coverage earlier this year how PwC actually didn't end up delivering on that work order. Thank you for providing the work order. I was also wondering whether you could provide the documentation for the panel that the work order was made under.

Mr Birrer: We can provide that. We mentioned in our question on notice that, as part of the royal commission's hearings, there have been quite a number of exhibits published by the royal commission as well. A number of those documents around that particular contract, including the contract document itself and others, were published there. We can indicate what exhibit numbers they are on the royal commission's website.

Senator RICE: Thank you. Yes, we've been looking through those documents. Going to that work order, the work order talks about analysing, reviewing and documenting the current processes and documenting the current experience. That's the case, isn't it?

Mr Birrer: Correct.

Senator RICE: Presumably the department gave PwC access to everything they asked for as part of that process?

Mr Birrer: Yes. The evidence at the royal commission, from both PwC representatives and officials from the agency of the then Department of Human Services, was that they worked together in quite an iterative way throughout that process.

Senator RICE: Was there anything that PwC asked for that the department didn't give them—that you said, 'No, that's confidential', or, 'It can't be shared with them'?

Mr Birrer: I'm not aware of that. I wasn't in the Department of Human Services, but I can't recall that coming up during the evidence that was delivered.

Senator RICE: In 2017 it was very clear that robodebt was wrong. We had the Senate inquiry. We had the Ombudsman investigating. There were five AAT decisions made by Terry Carney really criticising robodebt. Did PwC ask for any information about the legality of the robodebt scheme?

Mr Birrer: I'm not aware of that coming up during that review. And you'll recall that the discussion at the royal commission about what was occurring at that time was that, with the initial rollout in 2016, there was, putting legality aside, a lot of poor operational performance from what they termed the Income Compliance Program, the robodebt scheme. PwC was brought in as part of planning out a new way of delivering that program. It was based around the operational steps, in terms of how to improve the efficiency of the program, and didn't really go to those underlying aspects of the legality that you raise, Senator, notwithstanding the media and other attention being given to that at that point in time.

Senator RICE: So you're saying, Mr Birrer, that they were brought in to work out what was going to succeed the robodebt scheme as it existed at that stage?

Mr Birrer: I think that's fair. It was for the operational aspects: doing the analysis behind the operations and looking at the operational planning and the customer interactions, both online and through the staff channels, to try to improve the operational performance of the robodebt scheme.

Senator RICE: But given what was already in the media at that stage and the allegations, which the robodebt royal commission had absolutely consolidated, that the robodebt scheme was illegal, they didn't ask for any evidence about the legality of the scheme?

Mr Birrer: I'm not aware of that, and during the document searches that we conducted, both to respond to your question on notice and also to provide notices to the royal commission, I haven't seen anything come up in that regard.

Senator RICE: They were paid almost a million dollars to look at the overall scheme. I just find that extraordinary, given the context of the scheme as it was operational at that stage. It was a million dollars to review the customer experience and compliance. I remember being in the Senate and the questions that were being asked about the legality of the scheme, which the government refused to answer. And they didn't ask about the legality of scheme?

Mr Birrer: Not that I'm aware of. The focus really was on the operation or delivery of the scheme.

Senator RICE: Even without asking questions specifically about the legality, were you aware at any stage or did any PwC staff raise any concerns with you about the scheme being wrong, unfair or detrimental to the people having the compliance activities raised against them?

Mr Birrer: I'm not personally aware of that. I do know that, as part of the work PwC undertook with the Department of Human Services over the length of the robodebt scheme from that initial contract in early 2017 onwards, there was work on seeking to enhance, particularly, the online tools. There were two iterations after PwC was brought on. Some of their work did inform adjustments that were made to those online schemes to try to make it easier for people to engage with the scheme, but not to the underlying legality, that I'm aware of.

Senator RICE: Not to the underlying legality or not to the detriment to people's wellbeing—that is very clear. As has come out, some people were suiciding because of being issued illegal debts. It took some brave Centrelink staff to blow the whistle. But PwC were paid \$1 million dollars and didn't raise any concerns about that?

Mr Birrer: You will recall, and I know you were involved at the time, there were also a number of media articles at the time and during the royal commission hearings. The Peter Martin articles in particular were referred to, as well as the AAT decisions that you mentioned. They were part of the operating environment at the time. There was also an area of focus within the then Department of Human Services working with PwC around the efficiency of the implementation of the robodebt scheme. There was a lot of evidence heard on that.

Senator RICE: I want to go to PwC's work here. You had PwC paid almost \$1 million. They didn't end up delivering on the review, did they?

Mr Birrer: They delivered a PowerPoint presentation that was delivered to the then Minister for Government Services. The issue that arose during the evidence that was heard at the royal commission was that a report wasn't provided. PwC did provide a draft report to the royal commission. We learnt of that through that because, during our document searches, as we mentioned in our question on notice, we hadn't been able to find evidence that anyone in the department was provided a copy of that draft report at the time.

Senator RICE: \$1 million for a PowerPoint. No report. No questioning of the legality of the scheme or the detrimental impact that the scheme was having people. They were paid \$1 million to do that.

Mr Birrer: You've just summed up a couple of days of evidence at the royal commission.

Senator RICE: Which is particularly pertinent given the current scandals around PwC, which is why, of course, I'm raising it here, in terms of the capability of PwC to be delivering work like that for government. Has there been any assessment based on the failure of PwC in that circumstance to review the use of PwC in further contracts for Services Australia?

Ms Skinner: Services Australia has two current contracts with PwC. As other agencies and departments have testified, we're reviewing those. One of them is a contract that provides assurance services. That's discretionary, so we can choose to use that company or other companies. Another one is a contract for some specialist cyber stuff. We remain looking into those. I think the opportunity for us is the updated guidance from the Department of Finance around additional clauses that go to integrity, and reminding officials that we can use those aspects in reviewing value for money going forward.

Mr Birrer: I'd add to Ms Skinner's answer—this is my impression from looking through the documents from the time and looking at how the robodebt scheme was implemented and evolved through its various iterations—consultants were used in what we in Services Australia now would regard as line positions that should be performed by Australian public servants. Consultants were being used as part of the analysis and planning of the program, not just in those technical skills that Ms Skinner was referring to about assurance and the like. It was used much more broadly than that.

Senator RICE: Will the experience of both the current tax scandal and the experience of PwC's review of robodebt—not delivering a report and not even asking the basics about the legality of the scheme at the time—influence Services Australia's willingness to use PwC in the future?

Ms Skinner: The Department of Finance has laid out the rule set for us. We will apply that rule set. The answer will be: yes, all of those considerations will be made in relation to PwC and any other company that seeks to work with us or that we might have a contract with. As Mr Birrer said, they are used for technical work in the couple of areas that they are available—for cyber, for example. Over the last three years, Services Australia itself has reduced the use of consultancies for work that we think public servants are quite capable of doing.

Senator URQUHART: Could I ask a point of clarity question?

Senator RICE: Yes.

Senator URQUHART: Will the agency be asking for a refund from PwC on the \$1 million given? They only delivered a PowerPoint, in what has come to light recently.

Ms Skinner: I will take that question on notice. I haven't turned my mind to that particular question. Now that you've asked me, I will.

Senator URQUHART: Thank you.

Senator RICE: Given \$1 million has been spent on PwC, and they didn't deliver a report, have you managed to get to the bottom of, or any further clarity as to, why a report was not delivered?

Mr Birrer: I would say that, with that, we have been conducting document searches and provided information to the royal commission. This was a matter that the commissioner looked at and took evidence on in considerable detail. I think it's worthwhile now, given the passage of time, that we also consider what findings or recommendations the royal commission makes when it publishes its report in four weeks time, on 7 July, in terms of considering that way forward.

Senator RICE: Have you given any evidence to the royal commission, or do you have any sense that there potentially was political interference that led to them not delivering on their report, given the former government's position on doubling-down and pursuing the robodebt scheme?

Mr Birrer: I can't recall any specific evidence about interference.

CHAIR: Senator Rice, I will be seeking to move the call on shortly.

Senator RICE: I have a few minutes further on PwC and then I'll be finished with that. I want to go to another document prepared by PwC, which was also tabled in the royal commission, that recommended, as part of its productivity review in 2018—this was a contract of about \$600,000. I have the document to be tabled if you need it to be tabled.

Mr Birrer: This is a productivity review?

Senator RICE: Yes. A productivity review that was undertaken in 2018. A contract for \$600,000. This was after the compliance review.

Ms Skinner: Is that a DHS contract or a DSS contract?

Mr Birrer: Or if you had the contract number.

Ms Skinner: With the contact number, we can check our database.

Mr Birrer: Was this contract No. 3507959?

Senator RICE: I haven't got the contract number. I've got the document, which is *Productivity review*, presented by PwC, July 2018, Department of Human Services.

Mr Birrer: I think I know that contract, yes.

Senator RICE: Yes. It is CN3507959, my staff have just told me.

Mr Birrer: That's right, yes.

Senator RICE: On pages 17 and 18, there are two recommendations from PwC. One is on page 17:

It is recommended that the use of an outbound dialler is considered for implementation by DHS specifically for due date reviews, where the review has been receipted by the customer but no action taken; opposed to the Compliance Officers making the two phone calls, which is currently taking place.

The other is on page 18:

It is recommended that the BAU—
business as usual—

response for reviews at due date, should be for them to be completed using data on hand / ATO match data, and an extension only granted under extenuating circumstances.

The gist of those two recommendations was basically to reduce customer contact, automating processes that weren't automated at that stage. Do you agree that that's—

Mr Birrer: As part of the design—I don't have that document in front of me, but in general terms the design of the scheme and the program was seeking to reduce customer contacts, as you mentioned, by using the online system. That included what was termed, during the program, due date processing, which is where a customer didn't engage and update or provide different information. Then, under the robodebt scheme, that averaged ATO income information was applied as part of closing out that compliance review.

Senator RICE: Just to be clear, we were in the midst of robodebt unfolding, with the impact of that on people—I think it was at about that people were suiciding because of the debts that they were receiving—yet PwC was actually recommending less customer contact and to automate even more? That's a fair summary?

Mr Birrer: I think the operating environment that the then Department of Human Services had was that they were seeking to complete a number of reviews to achieve the budget savings that were attributed to the robodebt scheme. So, to get through those programs, having to be able to close out reviews and looking at how there could be less work by the staff was part of the operational planning and implementation that the department went through.

Senator RICE: Did the department accept those recommendations from PwC?

Mr Birrer: I'd have to take that on notice, but it is consistent with the overall approach taken.

Senator RICE: The approach being taken at that stage. So basically it was doubling down on the circumstances and the automation that was leading to the issues that are unfolding now in the robodebt royal commission?

Mr Birrer: I wouldn't necessarily use the word 'automation'. It did use systems, but it was a very simple sort of application of averaged ATO income information.

Senator RICE: But it was reducing the amount of customer contact—people actually being able to speak to a human in their interactions with the department.

Mr Birrer: Looking at ways of completing reviews with fewer interactions with staff—that's correct.

Senator RICE: Yes.

CHAIR: Senator Rice, am I able to pass the call?

Senator RICE: I have just one more question, again on ongoing work with PwC. You said, Ms Skinner, that you are using the recommendations—the all-of-government recommendations. Are there any more things that you're doing to protect information where it's being handled by contractors, given the PwC scandal that's unfolding?

Ms Skinner: Not anything specific, but we will be making sure. I've given a range of testimony at the JCPAA hearing on a procurement review. We have, in the broad, adjusted and centralised all of the procurement in Services Australia. That ensures that there is one area in the Chief Financial Officer division that supports all procurements. That ensures that we can have consistency in application of those measures with the Department of Finance and the information security arrangements and integrity, holistically, so we've got some strong governance around that and we can make sure it can be applied consistently. So, we don't have procurement being let in multiple places, even though it's a very large agency. It's all done in the CFO division.

Senator RICE: Thank you.

Senator REYNOLDS: Thank you very much for tabling the numbers for the telephony reports.

Ms Skinner: I added it up. It was just over \$42 million—\$42,153,810.

Senator REYNOLDS: Thank you very much. Having a look at the numbers, we've got the full year for 2021-22, and then we've got the year to date—the first three quarters of this current financial year, and you've tabled them both. If I'm reading these tables right, the volume of handled calls, even by percentage by quarter, has dropped for this current year from the full year last financial year—for example, 55 million calls for Centrelink—and then going down it looks like the numbers proportionally have significantly dropped. And emergency management handled calls last financial year were 6.4 million, whereas by year to date it's less than one million.

Ms Skinner: That would be right. In that year that you're talking about, the previous financial year, we had everyone getting the COVID certificate. So, we went from 10 million myGov accounts to 20 million. All of that—a lot of people called to get linking codes, and a lot of people called in the emergencies. So, that's right, Senator.

Senator REYNOLDS: It was quite a phenomenal time, wasn't it?

Ms Skinner: Yes.

Senator REYNOLDS: Having a look here, the numbers have proportionally reduced quite significantly since last financial year. Can you explain the ASA and congestion messages to those colleagues who are not quite as familiar with them—what that data is telling us?

Mr Howard: ASA is the average speed of answer. That is the average time taken for a service officer to answer a call, and it is averaged out across the relevant phone line. In relation to congestion, that is a message that is displayed to a customer when certain parameters are hit that essentially plays the IVR message to the

customer—the interactive voice recognition message—giving the customer a number of digital options to complete their business and then ending the call at that particular point in time and redirecting customers to those digital options.

Senator REYNOLDS: Assuming I'm reading these right—and I think from what you've said I am—from last financial year there were unprecedented levels of demand across all channels, including telephony, and the number of calls was significantly higher than it is trending this financial year. But the congestion messages have gone up, and the average time to answer calls has gone up, even though the absolute volume of calls has gone down. Can you explain why that is?

Mr Howard: I might just have to ask the secretariat to give me back the piece of paper that I used to table last financial year's data—I apologise! I would say that yes, there has been a drop-off in demand in some business lines and overall, but there was also a commensurate reduction in a number of the pandemic budget measures that have meant that our staffing levels from last year have also decreased. Generally, the reason why we play congestion messages is to allow a balance in our view, and we have changed our congestion parameters over the last few months. I can talk the committee through the reason why we did that.

Senator REYNOLDS: No, it's fine if you could just provide that on notice.

Mr Howard: Yes. The reason why we play congestion parameters is to control the number of customers we have in the queue so that we can try to answer those in a reasonable time. But that all depends on how many staff we have on with the right skill tags for that particular business line at that particular time. There are times when higher levels of congestion messages will be played so that we can try to give the best customer experience. We recognise that it's not always a good customer experience to have congestion messages played, but it is the balancing act that we do between telephony and processing in trying to make sure we are balancing our resources across all the things we have to deliver.

Senator REYNOLDS: I understand. In the first three-quarters of this financial year congestion messages are up, the ASA is up, but the overall numbers are significantly down, so the volume is down. You cited staffing issues, so we'll just go back to the ASL. I now have the budget papers and your portfolio budget statements. Previously your ASL funding cap was 28,560, but you have 400 vacancies you haven't filled. Did you not fill those vacancies because your ASL has been cut in the budget this year, or have you just not been able to fill them?

Ms Skinner: We have been unable to fill the roles.

Mr Howard: I should say, in service delivery group at the beginning of the financial year I was risk-managing about 1,500 people over my allocation because of the demand that we had at that point in time. In the October budget we got a number of budget measures that meant I was, even with those 1,500, under my ASL allocation, and we have been chasing to try to catch up ever since.

Senator REYNOLDS: So you've been managing and adjusting.

Mr Howard: Yes.

Senator REYNOLDS: To deal with the very high number of calls and services you had in the last two financial years, you had an additional ASL under the former government of 2,121 for 2022-23. What I'm reading in the budget statements is that the current government, in the second budget, has reduced the 2,121 ASL to 850 ASL to deal with these emergency calls. Is that right? That is on page 186, and it's for one year, so it's not a forward estimates projection.

Ms Skinner: That is right. That's a figure for one year of 850 ASL, and we will provide some further advice to government about how we may propose to manage that going forward.

Senator REYNOLDS: Under the previous government there was an ASL of an extra 2,121 to deal with this huge surge, and that has now been cut to 850 at a time when volumes are going down, but congestion and the ASA and service metrics are going backwards. Have I got that right?

Mr Howard: I would say that since January this year we have had a 60 per cent reduction in congestion messages; some 889,000 fewer congestion messages have been played since January. We continue to take feedback from customers in relation to how we can improve the experience, and one of the things we heard was that we were playing too many congestion messages.

Senator REYNOLDS: I asked you to take the detail about that on notice. Finally on this, and then we'll move to other questions, I want to confirm this: at the moment you have less of a cut, so these extra 850 positions for one financial year, and, if they leave at the end of this financial year, your ASL will then be 25,846, which is a reduction of nearly 3,000 from the last ASL, which is currently 28,560.

Ms Skinner: That is as the maths plays out. Yes, there were additional ASL. That figure has been removed because the COVID and emergency payments have ended, so 850 ASL have been provided for emergency response for this financial year, and we will be working through what happens in future budgets from there.

Senator REYNOLDS: Thank you. Could we move on, and could I get attachment 2—the handout—which is Mr Shorten's first speech on the portfolio, which took place on 22 July 2022 at the *AFR* government services summit. Do you recall that, Ms Skinner? It was his first big speech.

Ms Skinner: I recall being there, Senator. I probably have some high-level recollections, but I don't have the detail.

Senator REYNOLDS: I'm sure you've been to many ministerial speeches over the years. I'm just tabling it as it was delivered. Ms Skinner, do you or any of your staff know: did the agency support the minister in preparing the speech?

Ms Skinner: I believe we will have provided some input. I'd have to take the specifics of the speech on notice.

Senator REYNOLDS: Does someone who is perhaps from that section of the department have a recollection of whether the department of the first draft of the speech?

Ms Skinner: I will check. I think we will have done some fact-checking, but the minister's speech was otherwise drafted in his office.

Senator REYNOLDS: Can I get you to take that on notice—

Ms Skinner: I will confirm, but that's our understanding.

Senator REYNOLDS: And if you could table the first draft of the speech that went to his office.

Ms Skinner: If we have a first draft.

Senator REYNOLDS: If you have a first draft.

Ms Skinner: It's more likely we received the draft, we fact-checked it and we sent it back.

Senator REYNOLDS: If you could just clarify that for us—

Ms Skinner: I will clarify that.

Senator REYNOLDS: and send it through, that would be great. There is a whole section of the speech which I've just handed out which is on a very important topic, and that is the issue of trust. One of the lines Mr Shorten said in his speech is:

So many of the imaginable opportunities simply won't be taken up if we don't do our all to earn trust—it is absolutely essential.

A bit of a motherhood statement, but, Ms Skinner, would you agree with the sentiment of that statement?

Ms Skinner: Trust in government is an important responsibility for the Australian Public Service to support in the broad. In fact, the Department of the Prime Minister and Cabinet does a survey every year that includes a discussion on trust in government.

Senator REYNOLDS: Minister, would you agree with Minister Shorten that trust is essential?

Senator Farrell: I would have thought it's uncontroversial.

Senator REYNOLDS: That's a yes, basically. Thank you. Ms Skinner and Minister, do you agree that transparency is essential for trust in the public sector as a general proposition?

Ms Skinner: As you know, Services Australia, as I said in my opening statement, works on simple, helpful, respectful and transparent, and we support a whole range of transparency measures, including FOI and other aspects while at the same time needing to protect information, security and privacy. So there is always the balance there, but transparency is part of our set of responsibilities.

Senator REYNOLDS: Thank you, Ms Skinner. In terms of what Services Australia does on behalf of all Australians, essentially, how would you best characterise the role and the importance of Services Australia to all Australians?

Ms Skinner: We do deliver the government services and payments. There has to be a mechanism to do that in a democracy, and we are that mechanism, in the broad, for most of the services and payments that are provided. It's part of the critical infrastructure of the country, I would say.

Senator REYNOLDS: In that process, and given your extensive experience with Senate estimates, how important do you think the estimates process is for democracy and for that transparency and trust process?

Ms Skinner: I think you're asking for my opinion. My role as the CEO of Services Australia is to properly participate in a Senate estimates process, as I do and have always done.

Senator REYNOLDS: Minister, do you agree that Senate estimates is an important and in fact a critical part of transparency in our democracy?

Senator Farrell: Yes.

Senator REYNOLDS: Excellent. At least we're on the same page. I've got attachment 3, which is a QON from Senator Jacinta Nampijinpa Price numbered 00092. Can you have a look at that? Ms Skinner and Minister, we've all agreed on the importance of Senate estimates in terms of transparency and trust. Can you look at the question from Senator Nampijinpa Price: agency responses to questions on notice submitted or discussed with Minister Shorten or his office prior to their formal lodgement with the committee. The response, very unhelpfully, has come back quoting Odgers'. Ms Skinner, can you describe the process under this government, with this minister, for Services Australia with questions on notice?

Ms Skinner: Certainly. We take the questions on notice. We work with the minister's office. They may choose to answer some of them and not refer them to the department and not require the department to always prepare a response. We will provide responses, as is the standard practice, to a minister's office and the minister's office will settle those and table them under the name of the minister.

Senator REYNOLDS: Does Services Australia do the first cut of the questions on notice from the *Hansard* and then for any additional ones they receive them from the secretariat.

Ms Skinner: That's correct.

Senator REYNOLDS: Just to clarify what you said, do your staff then go through and work out which are the ones you think the minister might want to answer? How does that initial sorting work now?

Ms Skinner: The initial sorting will be done through a combination of things. One is all of those things that you've said, and then the parliamentary area have regular engagements with a minister's office. I think it's through those conversations where they might choose to not require the agency to respond to some of them.

Senator REYNOLDS: Do you keep a formal list of those in terms of: these are the ones the minister is happy for Services Australia to answer; and then you'd go and prepare responses to those and send them back to the minister's office, whereas then they would keep a list of ones that they were going to respond to themselves?

Ms Skinner: Yes, we have a list of all of the questions that need to be responded to, and we keep a record of where those questions are being managed.

Senator REYNOLDS: So they draft up their response on behalf of the minister and then they come back to Services Australia and then you send all of them in. Is that correct?

Ms Skinner: I think it's a combination. They go to the minister's office and the minister's office takes them to the committee tabling process.

Senator REYNOLDS: So you wouldn't necessarily see the responses that come back from the minister's office.

Ms Skinner: Not always.

Senator REYNOLDS: But they'd have to at least give you an idea of which ones they've returned so that you know that they've all been done?

Ms Skinner: We would know which ones they're choosing to prepare for the minister to table himself.

Senator REYNOLDS: Can you take on notice to provide the committee with a list of all questions on notice that have been asked of Services Australia since the change of government. Could you also provide the documentation that you have talked about, which ones indicate that Services Australia has prepared responses, sent them to the minister and come back, and which ones have been allocated to the minister to respond. Could you then provide information about that process because we'd like to see which responses initially went to the minister when they came back. For each of those questions could you provide a table of the dates the questions were asked, when you sent the first draft to the minister's office, when you got the response and that process. If you could take that on notice I think that would be very instructive.

CHAIR: Senator Urquhart?

Senator URQUHART: I've got some questions around the Watt review. Could you briefly explain to the committee the purpose of Dr Watt's and the task force's review of procurement and contracting practices, including the events that led up to the review?

Ms Skinner: Certainly. The independent review of Services Australia and NDIA procurement examined a range of procurements related to Synergy 360 and its associated entities. We had a joint task force that included representatives from the NDIA and the Department of Finance that looked at the internal agency procurement processes related to those and whether the Commonwealth procurement guidelines, as they relate to those procurements, had been applied in good practice.

Senator URQUHART: What were the findings of the review?

Ms Skinner: The findings were that they considered 95 procurements; 71 per cent were found to be broadly consistent with the Commonwealth Procurement Rules and 29 per cent of procurements were found to be inconsistent with the Commonwealth Procurement Rules and didn't demonstrate good practice.

Senator URQUHART: Page 17 of the report notes that the review does not have the power to conduct further investigation of these behaviours. The former member for Fadden, Stuart Robert, claimed in parliament that the review absolved him of any wrongdoing. Is it correct that the review did not have the ability to probe the conduct of current and former ministers, MPs, their officers or vendors and was limited to investigating the conduct of public officials?

Ms Skinner: That's right. As to the review, the authority that the CEO of the NDIA and I had was only to look into the behaviours and practices of public servants and nothing more.

Senator URQUHART: So, before, during or after the review, were you provided with any information or documentation relating to Stuart Robert—that his relationship with Synergy 360 and vendors at Synergy 360 was helping to secure government contracts?

Ms Skinner: No, I've not been provided with any further information. We do note that a range of materials were tabled as part of the JCPAA hearing into Dr Watt's review.

Senator URQUHART: During evidence given at the recent JCPAA hearing where Services Australia was also a witness, Stuart Robert's business partner, political fundraiser and one-time part-owner of Synergy 360 revealed that he had directed his accountant to place any profits received from Synergy 360 into the Australian Property Trust, of which Stuart Robert was a beneficiary. Given that Synergy 360 had contracts with Services Australia, and that it would be a gravely serious matter if it turned out that a member of parliament had received a direct benefit stemming from Commonwealth procurements, has Services Australia sought to look into this?

Ms Skinner: As I've said, I've got no authority or powers to look into anything other than the behaviour and conduct of public servants. We do have two continuing reviews into two of the matters that relate to a named individual who was named in the hearing, and into the range and collection of procurements around Infosys, but I don't have any further activity because I have no authority to do anything—

Senator URQUHART: So those two reviews triggered further investigations by the agency?

Ms Skinner: Yes, that's right.

Senator URQUHART: And those two are what you've just outlined. Is one of these investigations looking into the conduct of former Services Australia executive Dr Damian West?

Ms Skinner: That's the named individual, yes. The scope relates to some procurements.

Senator URQUHART: Can you tell me where this investigation is up to and what it has uncovered so far?

Ms Skinner: You'll appreciate that it's an inquiry, it's underway and it's in the early stages, and I wouldn't propose to discuss anything in this forum at this time.

Senator URQUHART: Sure. What does the agency now know about Dr West's relationship with Synergy 360?

Ms Skinner: I think, again, those are the matters that are under an inquiry. There are some materials that have been publicly posted that indicate some relationship between Mr West and one of the members of Synergy 360, but those are matters of fact, and we need to look into whether those give rise to any problems.

Senator URQUHART: In recent media reporting about Stuart Robert and the Synergy 360 scandal, various eminent legal professionals, including the director of the Centre for Public Integrity and former counsel assisting ICAC and the Police Integrity Commission, Geoffrey Watson SC; former New South Wales Supreme Court judge Anthony Whealy KC; former Victorian Court of Appeal judge Stephen Charles AO KC; and CEO of Transparency International Australia, Clancy Moore, have all said that these deeply concerning matters should be referred to the newly established National Anti-Corruption Commission. If these matters are referred to the NACC, is Services Australia ready to cooperate with that investigation?

Ms Skinner: Services Australia will cooperate with any National Anti-Corruption Commission inquiry on any matter whatsoever as a government entity.

Senator URQUHART: Minister, given the opinion of these numerous distinguished legal professionals, does the government intend to refer this matter to the NACC?

Senator Farrell: Of course, as you'd expect, the government is deeply concerned with these reports and revelations that have come to the attention of the media and the parliament in relation to Mr Robert. But, at this point in the process, I think it would be unhelpful and inappropriate for me to comment on the issue.

Senator URQUHART: But you're not ruling it out?

Senator Farrell: No, I'm certainly not ruling it out.

Senator URQUHART: Ms Skinner, I've just got a few other questions I'd like to ask in follow-up about the APS Code of Conduct investigation that we discussed at the last round of Senate estimates. Thanks for responding to the questions that you took on notice about that matter. Since the last round of estimates, I've been told that two of Senator Reynolds's former ministerial staff were investigated over their conduct in her ministerial office when she was the Minister for Government Services—is that correct?

Ms Skinner: As I said last time, I don't choose to confirm the number of people, because it's a small office and I think I need to manage everyone's privacy in that matter.

Senator URQUHART: I've also been told that the investigation relates to the staff members' involvement in the theft of classified documents that were misappropriated by Senator Reynolds's office. Is that correct?

Ms Skinner: I think I have confirmed before that the matters relate to information management.

Senator URQUHART: I understand that in the days after the 2022 federal election, when Senator Reynolds and her Liberal Party colleagues were voted out and she was packing up her ministerial offices, Services Australia detected that Senator Reynolds's office was transferring a large volume of data off the government network—is that also correct?

Ms Skinner: As I said, the matters that are related to the individuals go to information management. That's all I'd be prepared to say.

Senator URQUHART: Basically, Senator Reynolds's office was emailing a large volume of official documents from government email accounts to a private Gmail account—is that correct?

Ms Skinner: As I've said, it relates to information management and improper information management.

Senator URQUHART: I understand that the documents in question were marked with the classification 'official' and included detailed information about the Commonwealth, Services Australia and its operations, including but not limited to complete volumes of Senate estimates briefings, question time briefs and other official documents—is that correct?

Ms Skinner: I'll refer to my previous answer. It relates to information management issues.

Senator URQUHART: Why was the agency concerned about official documents being misappropriated by Senator Reynolds's office? What are the potential consequences of this type of detailed information about the Commonwealth, the agency and its operations being stolen? What are the risks of this type of sensitive information getting into the wrong hands?

Ms Skinner: We take the management of government marked information extremely seriously. It's expected that the information remains in government systems, where it can be properly protected from a security, access and cyber perspective. The reason that people have government accounts and we manage the government computers is so that we can protect the information. A range of things can occur if information leaves the protections of the government system and goes into an environment that's unprotected. We take that seriously in relation to any account that Services Australia manages and in any circumstance, not only to do with staff and those who work with us.

Senator URQUHART: I understand that the sanction imposed at the end of the code of conduct investigation was mitigated because the staff members in question said they felt they had no real choice other to go along with the theft of the classified documents because they were directed to do so by Senator Reynolds. Is that correct?

Ms Skinner: I don't propose to discuss any of the detailed content related to those two matters in this forum.

Senator URQUHART: And the code of conduct investigation accepted that this was true?

Ms Skinner: It is always open, in a code of conduct investigation, to take context into consideration. That can include the environment at the time and can also include the level of the person who was involved.

CHAIR: Senator Reynolds, on a point of order?

Senator REYNOLDS: Can I do a quick follow-up on the questions from Senator Urquhart? It'll take one minute. It relates to exactly what Senator Urquhart was asking.

CHAIR: Okay. There's one minute for Senator Reynolds, and then, Senator Pratt, you can check the placement of your questions, whether they're for outcome 1 or whole of government.

Senator REYNOLDS: I've just got a question for the secretary. In terms of the matters that Senator Urquhart has just raised, are they issues that I raised with you publicly at estimates and also with the Australian Public Service Commissioner earlier last year?

Mr Griggs: I believe you raised some general issues around—

Senator REYNOLDS: Staffing and the code of conduct.

Mr Griggs: staffing, the code of conduct and MOPS. I believe I gave you some initial responses, and then I think Mr Hetherington provided some more detail, which might have been through a QON.

Senator REYNOLDS: As did the Public Service Commissioner—as you'd be aware of. These are issues I myself raised at estimates. Is that correct?

Mr Griggs: You did raise the general issue, yes.

Senator REYNOLDS: Thank you. Chair, if Senator Urquhart would like to go out and repeat those allegations outside of privilege, I would welcome the debate and the discussion.

CHAIR: Senator Reynolds! That is not a point of order. Do you have a point of order?

Senator REYNOLDS: No, that's it. I just want to note those questions to the secretary.

Senator URQUHART: Sorry, can I just clarify this. Ms Skinner, this is deeply concerning behaviour. Will Services Australia consider referring Senator Reynolds's conduct, in directing her staff to steal classified documents, to the National Anti-Corruption Commission?

Ms Skinner: I'd both need to take that on notice and need to take advice about whether any—

Senator REYNOLDS: Chair, what I'd ask to do—

Ms Skinner: I don't think I can answer that.

CHAIR: Excuse me.

Senator REYNOLDS: I raise a point of order, Chair.

CHAIR: I'm asking Ms Skinner to stop speaking so I can go to you on a point of order, Senator Reynolds.

Senator REYNOLDS: I would ask Senator Urquhart to withdraw some of the inflammatory language that she has used, because it was unparliamentary, highly pejorative and simply not true.

CHAIR: Senator Reynolds, I'm afraid that in directing the call I didn't hear the specific words that Senator Urquhart said. To assist the committee, Senator Urquhart, are you willing to withdraw?

Senator URQUHART: I'm not sure what I said that was unparliamentary. But if I did say that, I withdraw it.

Senator REYNOLDS: You implied illegal conduct. On that point of order—

CHAIR: Excuse me, Senator Reynolds. Senator Urquhart is responding to your request to withdraw. I've asked her to do that on your behalf. Can you finish your sentence, Senator Urquhart.

Senator URQUHART: As I said, I don't understand whether I said anything that was defamatory to you, Senator Reynolds, but if I did I withdraw that.

CHAIR: Senator Reynolds, on a further point of order?

Senator REYNOLDS: No, thank you. I thank Senator Urquhart for that, because Senator Urquhart did accuse me of illegal conduct.

CHAIR: Senator Reynolds, I understand that Senator Urquhart has withdrawn for the benefit of the committee moving on. Senator Pratt, do you want to ask the question about the placement of your questions and whether they're here or outcome 1?

Senator PRATT: I have some questions in relation to Centrepay, but I was concerned that some of them might point to policy in unpacking them, so I want to outline that now.

Ms Skinner: We can take a start on them if you like. We do the service delivery, but we also do some of the framework by which people participate in Centrepay. I will ask Mr Thorpe to assist.

Senator PRATT: I'm happy to ask them in the Centrepay section, but it really depends. I'd don't want to be precluded from asking the policy parts under outcome 1.

Ms Skinner: It's outcome 1. You can go ahead. We will be able to deal with them.

CHAIR: If they can be dealt with in outcome 1, we'll return to them.

Ms Skinner: They should come to us.

CHAIR: I will return to you, Senator Pratt. Senator Pocock, you have the call.

Senator DAVID POCOCK: I want to understand the process for implementing the social security changes that we saw announced in the budget. There were quite a few changes announced. I'm wondering about the time line for implementing them and how you see that playing out. What is the amount of time you will need to get that done?

Ms Skinner: We can go through particular measures. Many of them are for delivery on 20 September, but Mr Thorpe can give you an overview and then take any particular questions.

Mr Griggs: That's obviously all conditional on the passage of legislation.

Ms Skinner: Yes, that's right.

Mr Thorpe: From an implementation perspective, as the CEO cited, we're working to a 20 September implementation date for a series of budget changes to the secretary's advice. That is still subject to legislation passing. The activities we need to undertake to make sure that we're ready for changes such as broad increase to JobSeeker and other payments relate to the service delivery readiness, the training of staff, communication material, website material, scripting for our staff to make sure they understand the changes not just for the amount of money that's changing but what impacts customers might experience and making sure we choose the right payments, the requirements in design and, finally, the technology related changes necessary in the system to pick up that rate change and other requirements in the policy.

Senator DAVID POCOCK: Have you already started that process?

Mr Thorpe: Consistent with the discussions we have with the policy agency, the Department of Social Services, we have started those conversations to make sure that we understand the requirements from the policy perspective and start thinking about the implementation approach.

Senator DAVID POCOCK: Should the budget pass, you'll be ready to implement in September?

Mr Thorpe: Yes, consistent with our implementation plans, we're tracking to a 20 September implementation date and we're on track subject to legislation passing.

Senator DAVID POCOCK: Thank you. That's good to know. It was put to me that Services Australia couldn't start working on these sorts of changes until royal assent, but that doesn't make a lot of sense to me. I assume that you start getting everything ready given how big these changes are.

Ms Skinner: We do. Some things like a rate change quite straightforward, so we will be well prepared to do those things. Sometimes we will just need to finalise, finalise particular materials and some aspects of what we might need to build subject to the legislation passing. If there are any amendments that adjust any of the policy settings that then require us to recode, those are the sorts of things where we are able to deliver, but it's also very important that we manage risk in terms of that. We want to have enough time to build. We want to have enough time to set up all the service delivery and the customer journey piece, but we also need time to do technical testing and business verification testing, because the last thing you want is payments going out in a volume that is inaccurate. So we do need to make sure our assurance process is good. At this stage, we're comfortable and we're tracking to 20 September.

Mr Griggs: During that process, our teams are working together. As amendments are introduced, we're obviously analysing between us what the impact of potential amendments might be so we can advise the government.

Senator DAVID POCOCK: My understanding is that during COVID you managed to do things in just over a month. Can you talk me through that process and what sort of effort went into delivering that?

Ms Skinner: There was a range of things. It does depend on the complexity of what you are doing. If we take things like the very early stages, where mutual obligations were suspended, it was not that complicated for us to turn off features of the system and adjust payments. That wasn't too complicated. You could do that in a matter of weeks. For things like building the COVID certificate, we had started things like that months in advance of their needing to be something like a COVID certificate, so those sorts of things to quite a long time. But then you are also dealing with more modern technologies when you're up at the front, working in the appropriate space rather

than in the very detailed, technical areas of the Centrelink model 204 coding and things like that. So it does depend.

We did do many things fast, but we were also working in a much simpler environment. This will be coding new policy arrangements for new cohorts, for example, and that will be more complicated and needs more business verification and technical testing to make sure that's right so the customer gets the right payment at the right time. We also need to make sure our staff are trained and understand the new arrangements. We also need to deal with our online services and all of those things. There is a layer of things that we do there. For us, because we're the builders and the doers, the quicker the policy settings are completely locked in—and that's done through that legislative process—the quicker we know our absolute timeline.

Senator DAVID POCOCK: Thank you. On a related note, at last estimates we were talking about IT contractors and some of the challenges given what is being paid in the private sector. I'm wondering about vacancies when it comes to ICT or tech roles in Services Australia.

Ms Skinner: To support your previous question: one of the benefits for Services Australia is that we don't have to go out to contract in order to build the new changes to JobSeeker. We have an in-house team that do that. That is also one of the reasons you can move very quickly: you're not doing that piece. We don't currently really have any vacancies in our civilian workforce. We've got a range of contractors continuing to help us. We're looking at reshaping a little bit based on the programs of work we've got going forward. I think that's probably where we're sitting.

Mr McHardie: As the CEO says, one of the big advantages of Services Australia carrying the largest in-house technology shop in the federal government is that we're not reliant to going out to contract to attract large bodies of system integrators. We have a lot of that in house and we use a contracted workforce to supplement the just under 3,000 public servants that we have within the technology shop. One of the reasons we hold on to that in-house APS workforce is that this agency deals with a lot of legislative change. If you look at master programs like the Medicare program, child support program and also the social security and welfare programs, you see there is a fundamental amount of legislative change that happens each and every year. If we were reliant on going out to contract for a systems integrator to come in, understand our domain and then do some of the systems design, analysis work, development work and testing, it would take far too long and be too expensive. So it is one of the true advantages of Services Australia's tech workforce.

Senator DAVID POCOCK: What is your FTE for technology and doing that work?

Mr McHardie: It's just under 2,800 at the moment for public servants. We carry just on 1,000 contractors at this stage. We're obviously getting reset at the moment to be ready for next year's body of work. We've got 60-odd projects coming our way, so it will be a busy period between now and July to get set up for the next fiscal year's worth of work.

Senator DAVID POCOCK: Do you have a figure on the attrition rate for your tech workers?

Mr McHardie: If you look at public servants across the group, we normally lose about 30-odd a month. They're the figures that we normally run off, which is pretty good. There's not a huge amount of attrition. I think, particularly with the public servants, many of them have been with us a long time. The mission of Services Australia resonates with them as technologists. We do continue to invest in our public servants—to continue to upskill them. There are a range of programs that we undertake for cross-skilling and reskilling, and that's important for the employer value proposition to hold onto that tech workforce.

Senator DAVID POCOCK: Is that attrition rate for the whole of Services Australia or specifically for tech?

Mr McHardie: For the tech group, yes.

Senator DAVID POCOCK: Okay. Thank you very much.

CHAIR: Senator Reynolds, we'll come back to you for the remaining 10 minutes and then we go to a break.

Senator REYNOLDS: Could we go back to questions on notice, please, Ms Skinner. Can you confirm how many, and for how long, questions from the October round of estimates were overdue?

Ms Skinner: We received 347 questions on notice at the supplementary budget estimates hearing. I would have to take on notice the timing for which they, as you've said, are overdue. They were all tabled before these estimates.

Senator REYNOLDS: I understand some of them from October last year have been tabled just recently. Is that correct?

Ms Skinner: I'd have to take that specific detail on notice.

Senator REYNOLDS: Could you take that on notice and, if it's possible, get somebody who is listening to provide that information because it should be to hand. Could you also do the same thing for February estimates. How many questions on notice were overdue and how long were they overdue for?

Ms Skinner: Yes, I'll take that on notice.

Senator REYNOLDS: So, while we don't have the absolute numbers here yet, you agree that there were a significant number that were overdue?

Ms Skinner: I'd have to get the actual numbers to decide. There were certainly some overdue questions on notice. I don't know how many. But I've taken that on notice.

Senator REYNOLDS: As part of those questions on notice for the October and February estimates, if you could, as we discussed in the last round, let us know, again, the dates—when you received them, when you sent a response, which ones you sent a response to and when they came back, and what that ping-pong was and how long that took between the minister's office and when they were tabled.

Ms Skinner: Yes.

Senator REYNOLDS: Also, could you take on notice, as part of that, which ones were altered by the minister and how long that process took. So can you table the initial ones you sent forward, taken on notice, and then what answers came back.

If we could turn to a letter, this is document 4—if we could actually table 4, 5, 6 and 7. That might make it easier for everybody because I'll just whip through them all. This was a letter from Senator Brockman to the secretary, which we're just tabling, which was cc'd to you, Ms Skinner.

Ms Skinner: Yes, I have it.

Senator REYNOLDS: It's dated 26 May. Mr Griggs, do you recall this? Do you recall receiving this letter?

Ms Skinner: Yes, I received it.

Senator REYNOLDS: Have you responded to this letter, Mr Griggs?

Mr Griggs: I don't recall responding.

Senator REYNOLDS: But you recall receiving it?

Mr Griggs: Yes, I got a couple of letters from Senator Brockman.

Senator REYNOLDS: But you have received this particular one?

Mr Griggs: Yes, I have received this.

Senator REYNOLDS: So you don't believe you've responded, and, Ms Skinner, you haven't seen—

Mr Griggs: I'm not sure there's a need for me to respond to it. The nature of the letter is to make sure that we have information ready to provide.

Ms Skinner: 'Provide the following specific information'.

Mr Griggs: So unless there was a problem—I'd only respond if there was a problem.

Senator REYNOLDS: No, no, that's good, thank you. If you go to the next one, it's a letter to the minister, Mr Shorten, from Mr Fletcher. Minister, do you know if Minister Shorten has received this letter?

Senator Farrell: No, but I'll find out for you.

Senator REYNOLDS: Thank you. I wouldn't mind getting back if he intends to respond to that in a timely manner.

Mr Griggs: Senator, I made point about the time frame in my opening comments yesterday. This is an example of a very short time frame, given that it was received on the Friday before a long weekend and then we basically went into estimates on the Tuesday morning. I just think it's worth making that point.

CHAIR: Thank you, Mr Griggs, we note your comments from yesterday. I think we'll discuss those issues in a further hearing—

Mr Griggs: I appreciate that, Chair.

Senator Farrell: I can answer Senator Reynold's question about the letter that she referred me to from Mr Fletcher, dated 26/05. It has been received by the minister.

Senator REYNOLDS: Okay. Could we expect that the answers for the next round of estimates questions on notice might actually answer the questions and not be late? Would that be a reasonable request?

Senator Farrell: I can put that request through to the minister for you.

Senator REYNOLDS: Thank you very much. We'll go to another attachment, question on notice No. 250, about telephony data by payment type. Ms Skinner, if you have a look at that one it's asking for the telephony figures. My understanding is that this was very late, if answered at all. Given that it's a very simple question, have you got the history of this one? Mr Howard was able to provide that data readily this morning, so why was it so late?

Ms Skinner: I do recall that I was asked about this at the supplementary budget estimates, and I tabled the chart on that day. I then undertook to table the chart, which has been done this time.

Senator REYNOLDS: Thank you. I'll now go to No. 76; mine is attachment 7, but it's actually question 76. Again, it's a very simple question and it took a very long time to respond—is there a reason for that? We might pick that up with the more detailed responses we're going to put up about the ping-pong with the minister.

Ms Skinner: No, I'll have to take that on notice. Yes, we do have that longest wait time one—not here, probably, unless Mr Howard has it. But, certainly, there will be some anomalies to do with some customers who end up waiting an extremely long time. I don't know that we have that answer at this point—

Senator REYNOLDS: So—

Ms Skinner: Our standard practice is to table the telephony performance, which is what we've done.

Senator REYNOLDS: Yes. I'll just confirm: do the ones that you've tabled also include a tabulation which details the calls answered on the same day, the previous week and the 52-week rolling average or nearest equivalent? Has that been tabled?

Mr Howard: The information that has been tabled is very similar and in the same format that you received this morning.

Senator REYNOLDS: Okay, that's great. Does that also include, for this financial year to date, the SSW calls, IVR and operator and SSW-handled calls versus congested messaging? I think it does—

Mr Howard: In the questions on notice, my understanding is that it was as of 31 January.

Senator REYNOLDS: Okay. So that does include the customer contact service level—all the data on that—

Mr Howard: It just includes the handset—it's the same format that you received this morning. It doesn't include SPM4 and SPM5.

Senator REYNOLDS: Could you provide that on notice, and ensure that we have the latest customer contact service level information?

Mr Howard: Yes.

Ms Skinner: Yes.

CHAIR: The committee will now suspend for the tea break.

Proceedings suspended from 10:59 to 11:15

Senator REYNOLDS: Coming back to questions on notice, the next one I want to come to is tabling documents 8, 9, 10 and 11. The first one is question on notice 247. The question was seeking information from Mr Shorten on a number of data points per service centre, including, for example, self-service that exceeds underperforms under the national usage rate and the number of people who left a service centre not having been served or abandoned per visit. As you can see, the answer to most of this was either 'go to the website' or 'the agency does not produce regular reporting of this nature down to the granular level requested'. Can I confirm that, from D to M on the question on notice, the agency doesn't have this data at all?

Ms Skinner: Some of that data, like number of staff broken down into full-time and part-time rostering, would be a highly manual task in order to review previous rosters and then who actually attended. It would be quite a diversion of resources to pull those out. The name of the service, the location and the hours of operation are all available in the public domain. D would be quite an effort of work—

Senator REYNOLDS: If we could just run through those. You've got the information for A, B and C. Now, referring to the website, there is a lot of data there. Is it unreasonable for senators, in this case Senator Nampijinpa Price, to ask you not just to refer to a website but actually to provide information requested. I think you're saying A to C you can provide.

Mr Howard: Yes, A to C. The reason it has been referred is that that particular link does give all of that information on the website.

Ms Skinner: In a way that's very consumable, and it will also account for whether there is any changes to those hours of operation, for example.

Senator REYNOLDS: If you could take that on notice to provide that for Senator Nampijinpa Price—the A to C—and actually provide the information, that would be good. Then if we go to D, 'number of staff broken down into part-time and full-time rostering'. You don't have numbers of full-time and part-time staff?

Ms Skinner: We would have staff in the broad in relation to how many people are full-time employees and how many people are part-time employees. We have that in the broad.

Senator REYNOLDS: If you could take that on notice and provide that for her. E, the number of contacts per welfare cohort, you've got by telephony. Do you have that more widely across all contact?

Mr Howard: I would question what we mean by welfare cohort.

Ms Skinner: If we mean social security and welfare—

Senator REYNOLDS: I think what she means is probably program cohort.

Ms Skinner: The number of contacts for social security and welfare—we can tally how many people present for face-to-face servicing in that cohort and for telephony. But, of course, there is also the number of people who are on payment who made contact—so there are a range of different ways to deal with that. We provide it through the telephony report. We can provide some face-to-face detail as well.

Senator REYNOLDS: Okay. It would be excellent if you can do that. What about latest customers by queue type?

Ms Skinner: I don't know what that means.

Senator REYNOLDS: If you have a look at your response, it says, 'The agency doesn't produce reporting of this nature down to the granular level.' If it's not clear, could I perhaps suggest that in future when senators ask questions you go back to the committee and seek some clarification. I will seek clarification from her on that. If you go down from H to M, are there any of those that you can't provide or you might have to do slightly differently?

Ms Skinner: Number of customers per day will take some effort to tabularise. The number who attended the service this financial year to date will be a rollup of G, I assume. Customer contacts since the previous financial year—

Senator REYNOLDS: Could you perhaps take that on notice and go through that and get back to the committee and provide more information for Senator Nampijinpa Price. If there's anything that you don't quite understand, perhaps a quick clarification from her would be helpful. Is that okay?

Ms Skinner: That's fine.

Senator REYNOLDS: Thank you very much. You mentioned face to face. Can I also ask that you take on notice the national daily average waiting times for face to face, the average daily face-to-face contact numbers, the weekly face-to-face average waiting times and the SSW daily face-to-face contacts and appointments.

Ms Skinner: Certainly.

Senator REYNOLDS: Can we go, then, to the next question on notice, which is 192, again by Senator Nampijinpa Price. It asked, 'Can the agency provide service centre customer demand modelling?' That's a very reasonable question, and the answer was one sentence. It said, 'Demand modelling is commensurate with the size of each service centre and the community it provides services for.' I find it hard to believe that the agency would have drafted that response.

Ms Skinner: I can confirm whether the agency drafted that response, and I will take on notice whether we provided a response that was more—

Senator REYNOLDS: Have you got that information available now?

Ms Skinner: The actual answer to this question?

Senator REYNOLDS: Yes.

Ms Skinner: Not per service centre. There are 318 service centres. But we will be able to provide some modelling.

Senator REYNOLDS: Aggregate modelling?

Ms Skinner: We can certainly provide aggregate modelling. I think we will have some modelling on daily demands. But I just need to consider how that is pulled together.

Senator REYNOLDS: If you can take on notice the aggregate numbers and then also, ideally, the numbers per the 318 service centres. You would have that data readily available because to do the aggregate modelling you would have it broken down by customer service centre, wouldn't you?

Mr Howard: We will look into it. The modelling is pretty complex. So, yes, I will take that on notice so that we can see what we have available to provide.

Senator REYNOLDS: To be very clear, what we would like to have a look at is the data for each of the 318 customer service centres and the aggregate.

Ms Skinner: Yes. We will take that on notice.

Senator REYNOLDS: Thank you. Then can we go to question on notice 295. Senator Nampijinpa Price asked: 'If the agency is unable to provide the requested site profiles and channel analysis, can it provide a justification?' Your answer at the time was: 'Services Australia does not produce and have available a channel analysis for service centres. This is not required as the majority of contact at service centres is by face to face.' Does that answer still stand? You cannot provide that?

Mr Howard: I'm not 100 per cent sure of exactly what the senator is after in relation to channel analysis. In the service centre environment, face to face is sort of its own channel with SSW and health customers. We do some digital coaching. So I think the answer still stands. We don't have that—

Ms Skinner: We have a view of what service a customer got when they came in. But face to face is the channel. So we can give some indication of those who came in face to face what percentage came in for social security and welfare, what percentage came in for health and what percentage came in for aged care. We can probably do something like that, saying what they were there for in the channel.

Senator REYNOLDS: To be clear, in the 318 service centres—as you've said previously and as I've seen—there are a number of different channels of support—

Ms Skinner: Different products.

Senator REYNOLDS: People come in, the concierge will help them and then point them to the right area, whether it's self-service or to talk to somebody face to face. Do you not have the data that breaks it down into how many people walk in, and how many people get assisted by the concierge and directed to the different channels?

Mr Howard: We do have data that explains, after a customer has attended a service centre, what they were there for. In this case, we wouldn't call that a channel analysis—maybe it's just a terminology issue here. We can certainly give some data around what customers are coming into a service centre for if that's what is being requested.

Senator REYNOLDS: Maybe I haven't used the right word, but I'd like to understand—could you give that analysis for the 318 service centres, going back two years, how many people come into each of the service centres and where they are directed? Senator Nampijinpa Price has used 'channel analysis', but as you've just said: how many walk in, how many are supported by your concierge, and how many are directed to different services and supports?

Mr Howard: We'll take that on notice.

Senator RICE: I want to go to an issue that I've previously discussed at Senate estimates—Services Australia's use of the Israeli spyware Cellebrite, which allows cracking into smartphones and copying all data. At previous estimates I was informed that the technology was used only for serious noncompliance, so I will start by asking: what is the threshold for serious noncompliance?

Ms Skinner: Mr Birrer will take you through serious noncompliance, which includes criminal activity and those sorts of things. Mr Birrer probably has a more articulate list than I.

Mr Birrer: As we've discussed previously, the Cellebrite technology is one of the suites of capabilities we use to undertake investigations. They are of the higher end. By 'serious noncompliance' we mean an investigation that's commencing as a criminal investigation. Sometimes they don't meet the standards for us to then refer a brief of evidence to the Commonwealth Director of Public Prosecution to consider, and that's why we use the term 'serious noncompliance'. It starts at that end. There are the traditional fraud attempts against the Commonwealth, unfortunately, but, even more sadly, what we're seeing a lot of now in terms of the nature of criminal offending against the agency in relation to payments are identity crimes, which impact on our customers and other vulnerable people.

Senator RICE: How much evidence do you need to have? You say there's not sufficient evidence to refer it to the DPP, but it's starting with a criminal case: what's your definition? What is the criteria? What is the threshold?

Mr Birrer: The threshold for any brief of evidence is whether there's sufficient evidence to justify the elements of the offences which are being investigated to the satisfaction of the Commonwealth Director of Public Prosecutions. There's also a public interest factor to be considered—whether or not it's in the public interest to

pursue a particular criminal matter. I would draw the distinction that they are quite different and have quite different processes to our general customer compliance activities.

Senator RICE: I want to go to when you are using Cellebrite. Who gets to decide whether Cellebrite technology is used? Do you have a policy about it? Is it only very senior levels of public servants that decide we're going to use Cellebrite technology?

Mr Birrer: We do have a process by which any investigation is considered, prioritised against agencies' resources and the seriousness of the matter. Quite often, these technologies are used to examine a suspect's device. That occurs following the execution of a search warrant, and so that requires engagement with the Australian Federal Police, who execute that search warrant. We provide forensic services to assist, again, to see about evidence that supports the elements of any offence that's under investigation.

Senator RICE: Is it only used in conjunction with the AFP?

Mr Birrer: I'd have to take that on notice. But, in general, yes.

Senator RICE: Do you have a written policy for when it is considered acceptable to use this technology?

Ms Skinner: It would be part of the threshold of it being an investigation, not an engagement with a customer over an overpayment. So you wouldn't—

Senator RICE: What's that threshold of the investigation then?

Ms Skinner: We can take a look at what we have written down. Those are where you've identified that multiple payments are going under different names to a same bank account, for example—where there are multiple identities that are funnelling money. Those types of thresholds or indicators would mean that it's in an intelligence investigation space, not someone having received an overpayment because there was an issue to do with their personal circumstances.

Senator RICE: I understand that.

Mr Birrer: We can provide a summary of the decision-making governance processes that we have in relation to our investigation capabilities.

Senator RICE: Going back to my other question, how many staff in the department make the decision that it's appropriate to use this technology? Is it only ticked off at a senior level? How many staff in the department would have the ability to make that decision?

Mr Birrer: There is layered decision-making around the operational governance of the investigations. It is a technology that is used by a small number of our forensics investigators.

Senator RICE: You've talked about fraud and criminal investigations. Do you have specific indicators that would kick in to say, yes, there is suspected identity theft? What are the specific indicators that would be—

Ms Skinner: We probably don't want to go into detail on the things that we would look for in relation to serious non-compliance and criminal activity, because we don't seek to give anyone an opportunity to understand our tactics, techniques and procedures for those sorts of things and therefore seek to develop capabilities or practices that might defeat them. I think that would be the sort of thing we could provide in a more private briefing if the minister was so minded for us to do that.

Senator RICE: Perhaps you could take on notice what you could give to me.

Ms Skinner: Yes.

Mr Birrer: I would note that at the last hearing, Ms Lees, who was in this role, did speak about—without any of the detail—a range of both pre- and post-payment checks that we do in order to assess the risk. One thing we have found is that a high proportion of the transactions that trigger those risk factors do have strong indicators of being fraudulent behind them, including identity theft, or hijacking, incidents.

Senator RICE: I understand—and I think you mentioned this just before—that Cellebrite is only deployed in investigations where a warrant is obtained. Is that correct?

Mr Birrer: Yes.

Senator RICE: How many warrants has Services Australia requested to allow the use of Cellebrite?

Mr Birrer: I'd have to take that on notice. I would note too that we also work with other agencies in terms of shared services.

Senator RICE: Could you take on notice those investigations where it's a shared service?

Ms Skinner: We have a capability, and we offer it to other agencies or situations where it might be of assistance.

Senator RICE: Who else do you offer it to, then?

Mr Birrer: When people are committing these sorts of financial offences against the Commonwealth, they're often not choosing a single payment, so it can interact with other payments such as from the Department of Education or the National Disability Insurance Agency.

Senator RICE: In those circumstances with shared services, would you obtain the warrant?

Mr Birrer: It would depend on the circumstances.

Senator RICE: Could you take on notice a list of all agencies that you have those shared services with that you are sharing the use of Cellebrite with? Could you also take on notice how many warrants you've requested? Have there been warrants that you've requested which haven't been approved?

Mr Birrer: I'd have to take that on notice. I can't recall.

Senator RICE: Perhaps you could take on notice the number that were approved and potentially the number that were denied. When devices are seized with warrants, are people under investigation made aware that Cellebrite is going to be used on their phones?

Mr Birrer: People are always given the opportunity to participate in an interview, so they are aware that their devices will be examined.

Senator RICE: Examined is different from using technology that allows them to copy all the data on the phone.

Mr Birrer: What I don't know and I'll take notice is whether the specific technology is referred to, because Cellebrite is one technology.

Senator RICE: I'm particularly interested in Cellebrite. It's Israeli spyware that generally is only used by police in other jurisdictions. Perhaps you might like to take on notice what other similar technologies you are using. That would be interesting information. If you are interviewing them—they're given an offer of an interview to be told what's going to happen—is there a standard process for communicating with them that these spyware technologies are going to be used in their phone and there's a potential that all of the data on their phone is going to be copied?

Mr Birrer: We'll take on notice what we say in that instance.

Senator RICE: What kind of metadata is requested or is gathered using Cellebrite?

Mr Birrer: I think we'll take that on notice. I'm not sure what has been discussed publicly, because some of it goes to tactics, techniques and procedures.

Senator RICE: When you collect data, how long is it stored for?

Mr Birrer: I'll take that on notice.

Senator RICE: Where is it stored, and who has access to it?

Mr Birrer: I'll take that on notice.

Senator RICE: Do you have a deletion policy?

Mr Birrer: We'll take that on notice as well.

Senator RICE: You don't know whether you have a deletion policy? So you're responsible for the use of this incredibly powerful technology and the issue of collecting very significant data from people, and you don't know whether you have a policy as to how long it gets kept and whether it gets deleted or not?

Mr Birrer: We'll take it on notice because there are questions around whether it's used as evidence or it's information that isn't used as evidence.

Senator RICE: Is there anybody else here with you who might have some more information than you as to whether you've got a policy about the use of data that's collected using this technology and other technologies?

Ms Skinner: I think Mr Birrer has said what we can say here, because it will depend on whether that sort of policy is wrapped up in how we handle and conclude investigations in the broad. I think that's why we want to take that particular aspect on notice.

Senator RICE: To date, how many times has Cellebrite been used in investigations by Services Australia or indeed your shared services agencies?

Mr Birrer: We'll take that on notice, but we have used the technology for a number of years now.

Senator RICE: Yes, I'm aware of that and concerned about it. In April, iTnews reported that Cellebrite technology had been used on the phone of a woman receiving carer payments who was under investigation by

Services Australia regarding her relationship status. The woman told iTnews that, despite receiving a letter from the Commonwealth Director of Public Prosecutions saying fraud charges would not be laid, Services Australia continued to pursue her alleged debt as a non-compliance process. If there had been a decision by the CDPP to not lay fraud charges in relation to a person claiming single payments but in a relationship, why would Services Australia pursue a debt relating to the relationship status as a non-compliance action?

Mr Birrer: In terms of customer compliance—we've discussed this previously—even if there's not a criminal investigation, there can still be the general customer compliance issues that look at eligibility and whether or not somebody is on the right payment at the right time at the right rate, given their particular circumstances. So, from those compliance activities that look at those customer circumstances against the legislative eligibility of the payments, an overpayment can be identified, completely separate from a criminal investigation.

Senator RICE: Completely separate from a criminal investigation—but you've said that your policy is not to be using this technology unless it's headed towards a criminal investigation.

Mr Birrer: That's true. When we use it, it is in relation to that investigation. That investigation doesn't preclude our standard customer compliance activities as part of the integrity of government outlays.

Senator RICE: Once the criminal investigation by Services Australia has ended, does Services Australia retain access to the metadata gathered by Cellebrite?

Mr Birrer: As I mentioned before, we'll take that on notice because it depends on what the particular evidence and the instances are.

Senator RICE: Would that data then be used in other compliance activities?

Mr Birrer: We'll take that on notice, but I'm not aware of it.

Senator RICE: In March, Australia signed a joint statement with the United States and several other countries arguing for strict controls on the use of spyware technology, and, in signing the statement, Australia committed to establishing procedures to ensure that any commercial spyware use by our government is consistent with respect for universal human rights, the rule of law, and civil rights and civil liberties. What steps has Services Australia taken to uphold this commitment with regard to the use of Cellebrite?

Mr Birrer: I think that's really a question for the Attorney-General's Department. I don't think we would characterise this tool, which is a legitimate investigation and law enforcement tool, as commercial spyware.

Senator RICE: That's what it is. You might not be using it as commercial spyware, but it's commercial spyware. What steps have you taken to ensure that it's going to be consistent with respect for universal human rights, the rule of law, and civil rights and civil liberties?

Mr Birrer: We apply the capability consistent with Australian law. That's why I mentioned that we wouldn't characterise it the way you did, as commercial spyware.

Senator RICE: Have you done any assessment of how you're using it and its consistency with human rights?

Mr Birrer: We assure that we use it consistent with Australian law, which is consistent.

Senator RICE: Have you done any assessment?

Ms Skinner: We don't use the tool unlawfully. That is what I think Mr Birrer is trying to say. All of our operations are consistent with Australian law, which would support the agreement that has been signed.

Senator RICE: Australian law is not necessarily going to cover off whether it's consistent with universal human rights, and civil rights and civil liberties. Our laws are a long way from necessarily being consistent with those things, so my question remains. I take it by your prevaricating that you haven't done any assessment as to whether your use of Cellebrite is consistent with human rights, civil liberties and civil rights.

Mr Birrer: As we've mentioned, we use it consistent with Australian law.

Senator RICE: Okay. Thank you. Thanks, Chair.

CHAIR: Thanks, Senator Rice. Senator Pratt.

Senator PRATT: Thank you very much, Chair. I want to thank the department for their answers to questions on notice in relation to Esther House and Centrepay. I just have a few issues to follow up on, and I want to place on record that I would like to request a briefing by the minister on Centrepay and Esther House.

Ms Skinner: Certainly, Senator. We can provide to you a briefing on Centrepay in the broad. On Esther House, Mr Thorpe might be able to provide some information.

Senator PRATT: You were able to provide some helpful answers in relation to the number of people who had made payments to Esther House via Centrepay from about 2006 through to 2022, I think it was. It was some 281.

I think some victims of abuse at Esther House that I have been working with were surprised at how few of those customers had authorised Esther House to be their nominee, so I want to unpack that a little bit. I expect that quite a number of those 281 customers would have put in place their own Centrepay arrangement to make payments for their board, or whatever they'd advertised, to Esther House directly, without needing a nominee to do that. Would that be correct?

Mr Thorpe: That would be correct, Senator. At the time of removing Esther House from Centrepay there were only two customers who were impacted by using Centrepay for that particular provider, which is separate to the nominee arrangements.

Senator PRATT: I want to clarify: of the 281 customers that had a Centrepay arrangement in place with Esther House, how many were via another nominee and how many were direct?

Mr Thorpe: That number relates to the customers who had direct Centrepay arrangement with Esther House. At the time of removing Esther House from Centrepay, there were only two customers remaining.

Senator PRATT: You had 281 over time overall. Does that include those who put in place their own arrangement and people who had appointed another nominee?

Mr Thorpe: Centrepay doesn't record nominee arrangements in relation to making a deduction based service with particular registered organisations, so the nominee arrangements are a separate issue.

Senator PRATT: This helps me unpack it. So, of the 281 customers that had a Centrepay arrangement with Esther House, you don't have a record of how many authorised those deductions themselves and how many were done via a nominee?

Mr Thorpe: The understanding that we have, based on the information in front of us—and I'm happy to take the rest of notice, with the approval of the minister—

Senator PRATT: Yes, I'm trying to understand whether I'm asking the right question.

Ms Skinner: Senator, let me have a crack here. I think what we understand is that the Centrepay arrangements set up by an individual don't preclude someone having a nominee for Centrelink in the broad. So I think we need to take it on notice. We've got the 281 customers. We'll need to look through those records to understand how many of those customers might also have had a nominee, which then enabled the nominee to do engagement with the Centrelink program on their behalf.

Senator PRATT: To Esther House.

Ms Skinner: To Esther House. So you could have two different situations: the Centrepay arrangement and maybe other arrangements where someone could be a nominee for a customer.

Senator PRATT: Yes, a nominee to make an arrangement on their behalf.

Ms Skinner: Yes.

Senator PRATT: Can you also look for me at whether Esther House was known by any other names in terms of it being a recipient organisation or a nominee for a Centrelink recipient?

Mr Thorpe: We'll take that on notice.

Senator PRATT: They could be Esther Foundation, the Esther Foundation, Esther House, Esther Elizabeth House and a range of those kinds of variations. I'm interested to know, when someone nominates a nominee, do they record their relationship to the nominee—whether they're a family member or employee? For example, could an employee of the Esther Foundation have been someone's nominee? Is that allowed? Is there a record of that kind of thing?

Ms Skinner: I believe that is allowed. If people give permission, another person can be the nominee.

Mr Thorpe: We would record the type of nominee arrangement as well.

Ms Skinner: Not all nominees are created equal either. The nominee arrangements are extremely complicated.

Senator PRATT: I understand that which is why I'm trying to understand them. That leads me to questions about how you become eligible to become nominated as a recipient of Centrepay payments—you've given me some information in the past around that—and also the obligations in relation to being a nominee on behalf of a Centrepay recipient. In both instances, how is financial abuse or coercion or exploitation prevented? Are you able to provide me an outline now of what's in place to ensure that someone can't be exploited and that their rights are upheld and that they can't be coerced or bullied in those relationships?

Mr Thorpe: We're happy to take on notice the procedures we undertake to register an organisation for the use of Centrepay and also the subsequent detailed processes the CEO has acknowledged about how nominees are

recorded, managed and maintained. We also have particular training for our staff to make sure we understand vulnerability situations and indicators for vulnerable customers, and we take that into consideration, particularly where nominee arrangements are in place, to make sure they're still appropriate.

Ms Skinner: Our staff will be able to make judgements if someone does articulate to them that they feel they're being coerced. It's one of those areas where it's not possible to rule everything in or rule everything out. The staff are trained and educated to know that that sort of situation does arise and that they need to be open to try to support people in that situation.

Senator PRATT: It was put to me the kind of situation that someone who was experiencing harm in this organisation might face—that someone from Ester House, when they are the nominee, could be the one logging on and changing the deductions and that that person would be precluded from having access to their own records. I find it pretty difficult to see how at your end you could have necessarily prevented that.

Ms Skinner: Sadly, things like that do happen. They do happen in a range of environments where people with the wrong conduct and intent can prey on vulnerable people, and sometimes that is difficult to identify.

Senator PRATT: Is there a process for being able to remind people who have been nominated by others that it is voluntary and that you can cancel it at any time?

Ms Skinner: Yes, consistent with Services Australia's advice to customers both on our website and in our regular communications. One of the important parts is to maintain good nominee arrangements for your own accounts. That's something we do in terms of promoting and educating customers, to make sure not only that the nominee arrangement you've created is right now but that you continue to check to make sure it's appropriate in the future.

Senator PRATT: Do you send someone a text message, and say, 'Is this still appropriate for you?' How do you hear back?

Ms Skinner: We do a range of things, including hardcopy letters and myGov inbox letters, but in the situation you're talking about, Senator, those other methods we would use to try and communicate with people may well be diverted by those people who are not behaving in an ethical way.

Senator PRATT: Okay. Can you take on notice providing me with a little more detail about that process by which someone might be advised of their rights?

Mr Thorpe: Absolutely.

Senator PRATT: Can I ask whether you or anyone else advises social security recipients who are making payments via Centrepay as to the relationship of those deductions to their rights under the state tenancy acts or other accommodation acts if someone says, 'This is an accommodation payment.' What I've seen is that you might list it as an accommodation payment, but, in fact, they might have marketed themselves as a drug rehab centre or as a mental health respite centre. What do you do to make sure that the deduction would meet consumer protection thresholds for the marketing of a particular service?

Mr Thorpe: The registration process for organisations goes through a range of checks. Centrepay, itself, is not a regulatory system, but it does make sure that organisations present the right levels of accreditation or registration—being a registered business or having certifications, if you will. In addition, if a customer is engaging with Services Australia through our face-to-face or telephony environment, part of our staff would discuss those types of issues with the customer. However, you can also update those arrangements yourself online, using the Centrepay online service. So there are a range of ways we'd look to do that. But, in terms of validating, we also undertake compliance activities relating to existing Centrepay organisations. My understanding is that we've undertaken over 300 investigations this year alone relating to Centrepay organisations, to make sure they're fit for purpose and reflect what they were originally registered to do.

Senator PRATT: Could you provide to me on notice what Esther House was accredited for? You've given me the information as to the size of the deductions.

Mr Thorpe: I've also just confirmed while we've been discussing this that, every 12 months, customers are reminded through a text message about their existing arrangements and about making sure they're still appropriate. So we do prompt individual customers to go in and check their particular arrangements or to call us if they need extra help.

Senator PRATT: That's terrific. Does a recipient or a nominated organisation need to provide a reason or purpose for any individual deduction?

Mr Thorpe: We will be checking the organisation's status as part of the registration process, but it's the customer electing to create an organisation to deduct on behalf of their Centrelink income support payment.

Senator PRATT: Yes, but when that deduction is made, what record do you keep as to what it was for?

Ms Skinner: It will be recorded against the Centrepay party it went to.

Senator PRATT: But it's not recorded as to whether it was food, board, lodgings, clothing or phone bills.

Mr Thorpe: The Centrepay system would capture the category type, for example, and the date that that arrangement was put in place, but it wouldn't necessarily include a description or a story as to why that customer chose that particular organisation.

Senator PRATT: Is there any policy work currently being done in this space? It is a bit of a minefield, really, for Services Australia to manage this.

Mr Thorpe: We regularly look at the Centrepay program in terms of making improvements not just to the user experience but to understanding the policy settings. We regularly talk to the Department of Social Services around future opportunities, but fundamental changes to Centrepay would be subject to government decision.

Senator PRATT: That's right. I think I can put the further questions on notice. I would appreciate the briefing in order to be able to ask them appropriately. I did want to ask how you differentiate between what's being paid for in terms of accommodation and drug rehabilitation, and how you monitor what services have been marketed to a consumer versus what's on the Centrepay paperwork.

Mr Thorpe: We'll take that on notice and provide you with the categories that we record organisations against in the Centrepay system.

CHAIR: I'm now passing to Senator Brockman and then back to Senator Rice and then I believe we will be finished for whole of portfolio, and seeking to move to outcome 1. Senator Brockman?

Senator BROCKMAN: Ms Skinner, for APS and non-APS staff respectively, how many are currently working from home on flexible arrangements? If that has already been provided somewhere in the large amount of information we have, I'm happy for you to—

Ms Skinner: Did you say how many are working from home?

Senator BROCKMAN: Yes.

Ms Skinner: Around 5,000 people have some sort of working from home arrangement.

Senator BROCKMAN: Do you differentiate between APS and non-APS?

Ms Skinner: Most non-APS staff will be in the office or in a call centre or in our tech workshops working with our ongoing public servants, so I don't know. Not many non-APS staff would be working from home except if there's some sort of office environment.

Senator BROCKMAN: Could you take on notice to break that down? The 5,000—given they're mostly APS staff, let's say—do you track that against other departments, or do you think that you've got specific needs that mean you'd have a higher rate or a lower rate. Do you consider where that number is in terms of your human resources needs?

Ms Skinner: We seek to ensure that we offer staff flexibility. Working from home is one aspect of that, but in broad terms most of our staff are attending their workplace because of the type and nature of the service that we provide. During COVID, for example, all of those 318 service centres opened every single day. There's no opportunity to work from home to do face-to-face servicing, as an example, and much of our work revolves around the sort of infrastructure that we need to use and the privacy of citizen data being managed well and the security of our staff being able to get support for some of the difficult work they do.

Senator BROCKMAN: Okay, fair enough. I'm happy to take the rest of that on notice, please—just the breakdown.

Ms Skinner: Sure.

Senator BROCKMAN: My understanding is that you've currently got two consultancies in the transformation, external, independent review space under foot. Have any new ones been entered into since January of this year?

Ms Skinner: No.

Senator BROCKMAN: Would it be fair to say that you've moved away from external consultants with regard to things like independent reviews and transformation projects, and that there are less consultants in that space than there has been in the past?

Ms Skinner: There are certainly less consultants. That's very evident by the financial spend on consultancy. I would say, though, that has been a three to three and a half year journey. There was a lot of consulting work done

to support the establishment of the agency at the back end of 2019 and in 2020. Some of that continued during 2020, and since that point we have been able to do the thinking and inhouse work ourselves and we were in more of an implementation phase so haven't needed the sort of support that consultants had been providing in 2019.

Senator BROCKMAN: Have you done any thinking about when an external look at a particular issue might be required versus inhouse? Obviously there are some potential conflicts with relying solely on inhouse review?

Ms Skinner: Certainly. Mr Ashton—who will probably be under a contracting arrangement as opposed to a consultancy—is independent and external and has no prior history with the agency, for example. He will provide us with his insights into how we can better support security practices in our service centres, for example. That's an example of where you would use an external person to give you some support. Dr Ian Watt has done the same from time to time on assurance, when we do things like Senator Pocock asked us about. As we do final business verification testing on new payment arrangements, we have had a longstanding practice of asking a consulting house or contracting house to assist with an external assurance review of what we're about to do, so there are places for everyone. Those are the sorts of things we use it for.

Senator BROCKMAN: Obviously, none of that is on foot at the moment, but you would envisage it still occurring into the future.

Ms Skinner: We will still need to do independent assurance of some of our work.

Senator BROCKMAN: Finally, is Mr Tidswell still employed by the agency?

Ms Skinner: Yes, Mr Tidswell is a longstanding public servant. He has extensive experience in public service and in service delivery, and he remains with us in a part-time capacity, supporting some of our transformation objectives and as an internal support.

Senator BROCKMAN: Great. Thank you very much.

Mr Griggs: To respond to your first question about flexible work, I'm not sure whether you're aware but in April the principles for flexible work in the APS were endorsed by the Secretaries Board and published on the APSC website. It provides a bit more detail to what Ms Skinner said.

Senator BROCKMAN: Thank you very much.

Senator RICE: I want to continue on with some questions about Services Australia's efforts to combat fraud and corruption. Your latest annual report says that in 2021-22 the agency's effort to combat fraud and corruption led to 709 criminal investigations, 988 administrative investigations and 203 referrals to the Commonwealth Department of Public Prosecutions. I want to dive into that in a bit more depth and ask about who these related to. How many of the investigations and referrals were in relation to staff?

Mr Birrer: I will ask my colleague Mr Lucchese to answer because he has the staff number.

Mr Lucchese: On internal fraud matters for 2022-23, I can give an update that we have 138 active fraud investigations underway at the moment. In the last financial year we completed 951 fraud investigations. Of those, around about 500 were referred for code related matters.

Senator RICE: Sorry, what related matters?

Mr Lucchese: Code, so the APS Code of Conduct. And around 18 were referred to CDPP.

Senator RICE: Of the 951 for fraud, 500 were for APS code, so they were internal. Are the 951 all internal, or are they—

Mr Lucchese: They were all internal investigations. Completed investigations numbered 951 in the 2021-22 financial year.

Senator RICE: That's for 2021-22, so the data in the latest annual report.

Mr Lucchese: Yes.

Senator RICE: In the annual report there were 709 criminal investigations, 988 administrative investigations and 203 referrals to the CDPP.

Mr Lucchese: For financial year 2022-23, if I have your question correctly, to date, so that's until the end of March, we have completed 561 internal investigations, and as at the end of March we have referred 27 to the CDPP.

Senator RICE: Right. Perhaps if you could give me that data for the three financial years. Those were for 2022-23, and then we were talking about 2021-22. I want to go back to the figure you quoted, the 951 for 2021-22. How does that compare to the figures that are in your annual report, the 709 criminal investigations, 988 administrative investigations and 203 referrals to the CDPP?

Mr Lucchese: I haven't got that in front of me. I'll take that on notice.

Ms Skinner: We might have rolled some up for the annual report to break it out so that we can clearly identify that 951. We might take that on notice and do that split out, because some of the internal matters will be in a range of those buckets you've just read out. So you'd like a few of those [inaudible] internal and external?

Senator RICE: Yes. In total you've almost got 2,000; you've got 1,900. Basically, of that 1,900, you've 951 being internal—so about half of them, then, of that 1,900 will be turned over?

Mr Lucchese: We can take that on notice to make sure that we've got the right split for you.

Senator RICE: I appreciate you taking it on notice, but that's the approximate figures—if you've got 951 internal out of a total of almost 2,000?

Ms Skinner: Yes. I'm just looking at the annual report. The question I don't have is: do the 203 referrals to the CDPP arise from part of the 709? We can be clearer about that for you—whether that's a rolled up figure of each of those as an individual thing or whether there's any nesting of those things—one leading to the other—so let us just do that.

Senator RICE: If the 203 referrals are included in the 709 criminal investigations, you might only have 1,700 cases, so you've got more than half of them relating to staff.

Mr Birrer: Yes. You'll see below that, right at the bottom of the page, that, as Mr Lucchese said, there were 18 referrals to the CDPP in 2021-22—which is one of those numbers he read out before.

Ms Skinner: For internal.

Mr Birrer: For internal.

Senator RICE: So we've got some approximate numbers, but you're going to get me the right answers about—

Ms Skinner: Yes, and we'll just make sure they're split out.

Senator RICE: In the order of magnitude, about half of those that were listed in the annual report were internal. My second question is: how many of the investigations and referrals were in relation to beneficiaries?

Mr Birrer: We don't have that because some of the investigations are of people who are not currently on payment but who are being investigated, for instance, for putting in claims under fictitious identities and the like.

Senator RICE: Would you be able to get me data separating that—

Mr Birrer: About who's on payment versus who wasn't?

Senator RICE: Yes, who's on payment and then other people who are purporting to be somebody who's to be on payment. How many of these investigations are in relation to child support payments?

Mr Lucchese: I'm happy to take that on notice, in terms of having the break-up. As Mr Birrer and the CEO have described, we can provide that break-up.

Senator RICE: Great.

Mr Lucchese: I would note that sometimes they are not singular—they might cross over multiple payment types—so it may not be just within child support or social security, but we can provide that information.

Senator RICE: How many are criminal versus administrative, and, similarly, how many investigations are in relation to JobSeeker and other income support payments?

Mr Lucchese: Yes, we can take that on notice.

Ms Skinner: Yes, we can take that detail on notice.

Senator RICE: And how many of these investigations are in relation to identity theft, to scams, to fraud related to beneficiaries, to providing incorrect information to Centrelink and to fraud related to beneficiaries failing to provide information to Centrelink. The annual report also states that the 2021-22 Taskforce Integrity achieved 25 criminal investigations, 8 referrals to the CDPP and \$8.9 million recovered in debt owed to the Commonwealth arising from fraud and serious noncompliance. Could I get a breakdown of that \$8.9 million in relation to the categories we just talked about?

Mr Lucchese: Yes, Senator.

Ms Skinner: Yes, Senator.

Senator RICE: Thank you. I just have a few more questions to add to the questions that Senator Reynolds was asking about Centrelink phone wait times. Thank you very much for tabling the document with regard to phone wait times. Maybe Senator Reynolds asked this—I'm not sure—but one of the issues we spoke about at last

estimates was the recruitment to provide greater staff capacity and whether you've got a sense of a target of the number of staff you'd like, or need, to have to minimise, at the very least, if not eliminate, congestion?

Ms Skinner: You'll understand that we receive a budget and an ASL. It's up to us to organise ourselves around the available resources and balance that to give the best possible service—as we discussed on Monday, the balance between answering the phone and processing someone's payment. Services Australia is a large organisation capable of absorbing, but it still remains a feat of human endeavour.

Senator RICE: Absolutely.

Ms Skinner: So I think it's fair to say that, if we had been able to reach our ASL and had carried an extra 500 or so staff through with us during the year, we would have been able to deliver a better balance of outcomes than we did.

Senator RICE: If you had your ASL, do you feel that that would enable you to turn on congestion only very rarely, if at all?

Ms Skinner: It would certainly reduce the amount of congestion that we would need to use, but there will always be times of the year with congestion—like the student peak in January and the tax peak that is coming up. It would not be appropriate to build a system to just deal with a really big peak period, so we expect higher levels of congestion in July, as we did in January. That's what we expect, and we will broadly work through that work that arises from the end of the tax year by the end of that first quarter when we expect congestion to go back down to lower levels. We will probably need to use it, particularly in the first part of July.

Senator RICE: Are you now at your ASL?

Ms Skinner: No. We're about 400 under the ASL, so we won't achieve the ASL for this year.

Senator RICE: We talked about this on Monday, but is there any possibility of you engaging a surge workforce to cope with those peak times?

Ms Skinner: Would you like to talk about how we do that?

Mr Howard: We surge people within the service delivery system at peak times, so we'll pull people with the right skills off one line to answer in another line if they have the right skills, or from processing one claim type to processing another claim type. Our ability to bring in extra people to surge is obviously caveated by what we can afford from a budget perspective. We don't have particular plans coming into tax time, which I think we spoke about on Monday—the family peak in July—to bring in additional workforce, because of budget constraints, but we will move people within the service delivery group so that we have more people answering the family lines, for example.

Ms Skinner: We are moving from this financial year to the next financial year. This financial year had the additional 2,000 ASL. Although we might be 400 under now, as we hit the financial year we'll be over the notional average staffing level. We'll maintain that workforce through the first quarter in order to, if you like, have a bit of a surplus against the budget parameter. We'll seek to keep those levels of staff higher. We also have casual staff who can do additional hours. They're the other ways in which we can surge. As we discussed, we will be continuing to promote the online support, particularly for the cohort of customers around the family tax benefit and the childcare subsidy, for example. We have improved the online support. We'll be seeking to get most of those customers to try to do their business there and, therefore, they won't need to phone at all and then experience any wait.

Senator RICE: So you are hopeful that you will meet your ASL? So you've overcome recruitment issues, or is recruitment still an issue?

Ms Skinner: The ASL cap for us will reduce by around 1,800 from this financial year into next financial year as we return to a pre-pandemic staffing level, so we will be broadly over the average staffing level—

Senator RICE: Alright, so the ASL is going to reduce. What's that going to do to your wait times?

Mr Howard: With the service delivery group and the people we have answering telephones and processing claims at the moment, I am well above. I have more people than I did at the beginning part of the year so, therefore, my ASL, my average, is under but my headcount, my FTE, is quite high at the moment because we've done so much recruiting. To the CEO's point, come 1 July we will, from an average staffing levels perspective, be over what my allocation is. We're going to hold that in the first quarter, and then we'll look to see how we manage it in the budget context for the remainder of the financial year.

Senator RICE: How do you expect that to impact on your wait times and congestion needing to turn uncongested?

Mr Howard: The reason the ASL has shrunk is predominantly to do with emergency payments that we no longer need to pay. This year we had the pandemic disaster payments; we had high-risk pandemic payments that won't exist next financial year. So, we will manage the balance between telephony and processing and the work that we have to do within the budget that gets allocated. It's a constant juggling act to balance between telephony and wait times and to make sure we're processing payments in a timely fashion.

Senator RICE: Well, I hope it's not going to impact upon the experience of people who do need to ring. As we discussed, there are people you want to be online, who don't need to ring, but there are people who do need to ring and speak to a real human. We'll just have to wait and see, I suppose, how that's going to impact on the wait times for those people. I'm also interested in what proportion of the calls you receive relate to mutual obligations.

Mr Howard: We'd take that on notice.

Senator RICE: Do you have any rough sense?

Mr Howard: Not—

Ms Skinner: Unless Mr Thorpe has anything, but not really, no.

Mr Howard: In the context of the total number of calls that would be received, we'd have to take it on notice.

Senator RICE: Okay. Thank you. I'd appreciate that data.

Ms Skinner: Those calls will come through mostly in the employment services queue—so, whether we can do that—

Mr Howard: We do need to take it on notice, because there will also be an element of that where customers can report via the IVR. As I think we discussed on Monday, not all customers have to report by speaking to a staff member; they can do it online or they can do it via the IVR. To make sure we've got a bit of a holistic picture for you, we'll take it on notice.

Senator RICE: Thank you. Now I want to get to some responses you gave to questions on notice. First was my question SQ2300014 on the customer satisfaction survey, where you mention that, in terms of customer satisfaction, people answer on a five-point scale, and results are then grouped into drivers and converted to an index score. First of all, what does 'grouped into drivers' mean?

Ms Skinner: Mr Birrer might do this. He manages the customer research program.

Mr Birrer: There's quite a complex methodology behind how it's calculated. It sort of weights each channel by the amount of interaction and then looks at what the key drivers are behind the responses people provide. It seeks to give a weighted score, consistent with the weight of the interactions in that channel.

Senator RICE: Can you give me an example?

Ms Skinner: In the annual report for 2021-22, for example, the face-to-face channel is weighted at seven per cent, mobile apps at 31 per cent, telephony at 17 per cent, online at 41 per cent and health providers at four per cent, rolling up to 100 per cent. That's the sort of weighting of the channel interactions.

Senator RICE: So, 'weighting of the channel interactions': unpack that a bit more for me.

Ms Skinner: Seven per cent of customers will come in face-to-face. If they come in face-to-face, they are satisfied, with a score of 87.3 out of 100. And 31 per cent would use the mobile apps, and the result for that is a score of 86.8—so, generally high. Telephony is weighted at 17 per cent, and the result there is at 80.7. Online—the general online or the other online—is weighted at 40 per cent, and the result is 80.4.

Senator RICE: When you say 'the weighting'—

Ms Skinner: It's the proportion of the work—

Senator RICE: it's the proportion of the interactions?

Ms Skinner: That's right. It's the proportion of the interactions. Then the weighting is combined with the result to give an overall score, in last financial year, of 82.1 out of 100, for the performance outcome of customer satisfaction.

Senator RICE: I think I understand the weighting, but then the results are grouped into drivers?

Ms Skinner: Satisfaction drivers for the financial year are perceived quality, personalised service, communication, time to receive and a sense of fair treatment. Those are the satisfaction drivers. They're on page 27 of the annual report.

Senator RICE: I might have more questions about that. I'll read up on what's in the annual report. You say that people are selected at random. Can people ask to complete a customer satisfaction survey?

Mr Birrer: It depends on the channels. We'll take that on notice. There are different ways of collecting the survey results for each channel, so we can provide a summary of each channel and how we go about collecting the information for it.

Senator RICE: And, if they're interacting with the agency, are they able to ask that they want to say how they are feeling about that interaction?

Mr Birrer: There is the proactive surveying that we do, but there is also the complaints channels that we have where people can provide either complaints or feedback. There is positive feedback received through those as well.

Senator RICE: In terms of selecting people at random, how is that determined?

Mr Birrer: We'll come back on that. Again, it depends a bit on the channel. For instance, with face to face, that's conducted by a phone call from one of our survey providers within five days to follow up on an interaction. Because the other channels are either in the telephony channel or online, there are different ways of collecting that same survey information.

Senator RICE: Is at the same satisfaction survey across all of those channels—

Mr Birrer: Well, it's the same drivers that—

Senator RICE: and across all cohorts?

Mr Birrer: The same drivers, yes.

Senator RICE: So the different cohorts are all being asked about those same drivers—

Mr Birrer: Yes.

Senator RICE: or the same aspects of their interaction? So it's the same for all of them. Do you have all of this written down in a policy document in detail? Firstly, can we get a copy of that satisfaction survey? Is it just asking, 'How do you feel about each of those drivers?' Is that all it is or is it more complex than that?

Mr Birrer: Senator, what we can do is provide a breakdown of methodology. I say that because, as you've seen from our answers, it's quite complex in terms of the six drivers adding to an index of 100 and then having the weighting across each of the channels and then different ways of surveying customer experience across each channel. We can break that down so you can have an understanding because—

Senator RICE: That would be appreciated.

Mr Birrer: it is a multistep methodology.

Senator RICE: I might have to come back with some more questions. My final question relates to the response to two of my questions on notice, No. 1517 and No. 1523. You responded that: 'To respond to this request would require an unreasonable diversion of resources.' How do you determine when a response would be an unreasonable diversion of resources?

Ms Skinner: I needed to have a look at those—

Senator RICE: One of them was related to Workforce Australia approved volunteer organisations.

Ms Skinner: Some of those things will be about whether we have to go in and open up an individual customer or provide a record in order to look for the particular example, which would then take a range of staff offline, interrogating individual records in order to try to build a picture. I'm of the view that, when we're in those sorts of situations, the staff would be better working on payments and services. Most of the time it's where the agency does not keep the particular measure in a way in which it's readily accessible for us or able to be generated. Any time we've got to go and start to singly interrogate records, then that's an unreasonable diversion.

Senator RICE: In regard to the list of Workforce Australia approved volunteer organisations, I would have thought that you would have had that list.

Ms Skinner: Yes, I will check that—

Senator RICE: And who approves whether an organisation is a volunteer organisation for Workforce Australia?

Ms Skinner: Yes, I will take that on notice again. I think we can provide that one. I just need to confirm that. I think it is an extremely long list. Is the list very long? Mr Thorpe might know a bit more about the list of voluntary organisations.

Mr Thorpe: We're aware of that question on notice, and we're currently working on the additional details. Unfortunately, the system doesn't allow us to provide a list of current organisations that are registered and approved, so what we're currently doing is understanding what organisations are currently approved versus every

organisation that has ever requested to be registered as a voluntary organisation. So we're currently undertaking that, and we're planning to have that information available to you by June, Senator.

Senator RICE: Thank you. Then there is my question relating to Commonwealth rent assistance. I haven't got the response to it here, but I'm interested to know: if that was too much data, what data do you capture about Commonwealth rent assistance?

Ms Skinner: We capture the number of people who are recipients of Commonwealth rent assistance and how much is being paid—those sorts of things. There may be some breakdown of the cohort because you can receive Commonwealth—

Senator RICE: Maybe you could respond to me with the information that you do capture, even if it's not all of the information I asked for, rather than saying, 'No, I'm not giving you anything.'

Ms Skinner: Yes. Some of the material maybe comes through the material we would support with DSS, so we'll have another look at that.

Senator RICE: Thank you. Thanks, Chair.

CHAIR: Thank you, Senator Rice.

[12:31]

CHAIR: We are now moving to outcome 1. Senator Davey, you have the call.

Senator DAVEY: Thank you very much. As I mentioned earlier, I'm interested in asking questions about the disaster recovery allowance and the disaster recovery payments, which I believe are managed through Services Australia?

Ms Skinner: That's right.

Senator DAVEY: A lot of these questions are follow-ups from last time. I still get feedback from the different communities about the lag time between a disaster happening and the announcement that disaster recovery payments are available. Who is responsible for actually making the decision? Is it the emergency management minister, the social services minister or—

Ms Skinner: The delegation to create the payment is a matter for the emergency management minister. We await the instruments, and then that's the trigger for us to, usually by 2 pm the next day, commence the payments and services.

Senator DAVEY: So, once the announcement is made and once the social services minister signs off on it—

Ms Skinner: The emergency management minister.

Senator DAVEY: Sorry—the emergency management minister signs off on it, it's almost now an automatic process for Services Australia to hit the button, so to speak?

Ms Skinner: We generally try to make some overnight changes to the ICT system, prepare the scripts related to that particular emergency, give staff a chance to be trained on them and then move into accepting online claims by 2 pm the next day.

Senator DAVEY: When a declaration is made, is it made for a postcode area or a local government area? How do you ringfence—

Ms Skinner: They're made on the basis of a local government area.

Senator DAVEY: And you've got all the systems in place that can actually put—

Ms Skinner: Our systems are designed around local government areas.

Senator DAVEY: How many different types of emergency assistance payments are managed through Services Australia? Is it just those two?

Ms Skinner: We manage the Australian government disaster recovery payment, which is \$1,000 for an adult and \$400 for a child. The disaster recovery allowance is more of a medium-term—14 weeks—

Mr Thorpe: Thirteen.

Ms Skinner: 13 weeks employment support type of payment.

Senator DAVEY: And they're the only two that are Services Australia?

Ms Skinner: Yes, that's right. State governments often announce a payment as well. Sometimes there's customer confusion around that. Sometimes customers are concerned they haven't got their payment, but it's actually not related to us.

Senator DAVEY: When a declaration is made for a local government area, do the individuals then have to apply, or—

Ms Skinner: An individual will come to the online host, though we also do a telephone offer if people don't have an ability to make an online claim. They will go online. Over 95 per cent of claims are received online. We have discussed fraud and integrity checking. And then most of them will flow through on the basis of the attestation of a staff member. Sometimes they will be held, and then we may seek to get further information from a customer. There are of course situations where the emergency has been so severe that customers and citizens will be being supported on the ground by Services Australia staff in the emergency or in the emergency recovery facilities.

Senator DAVEY: That is an important point, however. I have travelled around. I've been up to Lismore, and I know that you had staff on the ground in Lismore. I've also been out to Fitzroy Crossing, where, certainly, they didn't feel that there were staff on the ground, but people could make application online once the announcement was made. Did you also have staff on the ground in Fitzroy Crossing?

Ms Skinner: We did. Unfortunately, the Fitzroy Crossing service centre was so significantly damaged that we could not use it. So we had to wait for it to be safe to get some staff in there, and, as soon as we could do that, we did. In the meantime, we provided a telephone and online offer.

Senator DAVEY: How long did it take for you to get a physical presence there?

Ms Skinner: Mr Howard has that one.

Senator DAVEY: Mr Howard's on the ball!

Mr Howard: There was a physical presence in Fitzroy Crossing pretty much straight away, because we did have service centre staff that were there and able to staff from the recovery centre that was set up. From memory, there were a handful of staff that were there immediately, and then it was about five days—I can take the exact time on notice—before we could then put some supplementary staff into Fitzroy Crossing.

Senator DAVEY: I understand the recovery centre was set up at the gymnasium in the first instance, but those staff would have been there on site before an actual declaration was made by the emergency management minister, because I think it took about five or six days for the minister to announce the availability of the disaster recovery payment.

Mr Howard: Yes, and sometimes we do have staff that might be on site in a recovery centre or in the community before the declaration is made, and it gives staff the opportunity to connect to social workers and wrap around some of our other services that are not necessarily directly related to an emergency payment but still allow us to offer services to the community when they are affected by an emergency.

Ms Skinner: Fortunately, with things like mutual obligation, we can also help by helping set people up on their myGov accounts and things like that, so that, as soon as the payment is available, they can put it through.

Senator DAVEY: They can do it online—

Ms Skinner: They can do a whole range of things. We can do what we can to support people in the moment and get them ready for when the payment is ready to roll.

Senator DAVEY: Once the declaration is made, your system is up and operational within 24 hours. But is there a limited amount of time in which people can apply? Not everyone applies immediately. For some people it takes a few days—

Ms Skinner: It is six months. The policy set by the Department of Home Affairs in that emergency space is six months. People can apply for that payment for six months.

Mr Howard: It is six months from the last LGA being added to the declaration. If there's an LGA that's added at the beginning and then, three months later, another LGA is added under the same emergency declaration, then it's six months from the last LGA.

Senator DAVEY: What additional communication does Services Australia provide? The minister puts out his press release. That doesn't always get a run everywhere. But they put out the press release—

Ms Skinner: We update the website. We can also do geographical tagging on our website. So, if you are coming in from—in that situation—Western Australia, you might be presented a slightly different version of the Services Australia website or a tag across the top that goes to that particular emergency.

Senator DAVEY: Right. And obviously your staff who are there on the ground can be informing people.

Ms Skinner: That's right, as well as through social media, through the website, through press coverage and if people call.

Mr Howard: We message service centres and we message recovery centres. We try and push as much information out to the community so that they know of the payments they're entitled to.

Senator DAVEY: Fitzroy Crossing is a classic example. Some people got evacuated more than 250 kilometres away from home. In those instances, they might have been evacuated before the payments were announced. How do you ensure that those people still get the information if they're logging on from somewhere like Broome, which might not have had the announcement made? What if my phone's telling you I'm coming from Broome but my home address is in Fitzroy Crossing and I've just been evacuated for however long?

Mr Howard: Where customers do get evacuated, quite often they are evacuated in cohorts of customers. When we go into a recovery centre, there's always some sort of social work offering, and quite often we're able to use that network to connect with customers that have been moved out of the location, in order to make sure that message is passed. If we're not doing that directly, then the social workers will message NGOs that are helping those customers and those sorts of things. At times, we use SMS campaigns—we're not pinging off towers; we're using details that we have from the customer. We continue to make sure, in some instances, that—in the recent emergency in the Northern Territory, where a cohort of people were moved to Howard Springs, we sent people to the location that they had been moved to—not only do we message to say that the payment is there and they can access it but we then help them with connecting to the payment and other services that they might require.

Senator DAVEY: One of the concerns raised with the Senate disaster response committee when we were in Fitzroy Crossing was the fact that people were evacuated without being registered. We had family members tell us they didn't know where their family had gone. I know it's the state government's responsibility to register evacuees, but what processes do you have in place to make sure that you're following them, particularly the vulnerable customers in an area—your ongoing clients, who might need that extra bit of support and awareness—when you don't know where they've gone?

Mr Howard: We work really closely with the state government on the ground. We don't go into recovery centres, evacuation points or anything like that without the state government inviting us in. We've got good relationships with the states in relation to emergency management. We use those networks to make sure that we're connected to customers when they are moved away from the emergency space. Like I said, for example, the Northern Territory government asked us to come to Howard Springs and set up and help customers. We were initially there before emergency payments started, so we were helping with social work and other income-support-type payments. When the emergency declaration occurred, then we were able to assist with connecting them with emergency payments. So I would say we use a variety of different networks, such as state governments and NGOs. In some instances, our service officers are members of the community and quite often here, so we're able to anecdotally touch customers. We use every channel that we can to make sure that we're supporting those customers in those circumstances.

Mr Thorpe: Just to build on that, NEMA's responsible for coordination. NEMA often uses the service delivery network that my colleague Jarrod Howard runs to find that on-the-ground intel that feeds into a broader national response. So NEMA's responsible for the coordination between federal, state and local.

Senator DAVEY: Do you have support mechanisms for your staff? There's an increased dependence on them during emergencies, and I'm sure it's very stressful for your staff as well. We know that some people in crisis get quite emotional and can take it out on the very people who are trying to help them.

Mr Howard: Yes, we do. We've got good support networks. The value proposition to work in Services Australia is about helping people. Lismore was a good example where we had staff members who were very badly affected by those floods rock up to work the next day to help customers rather than sort out their own support. We've got a number of programs that we wrap around staff as they support customers. With large-scale emergencies, we rotate staff out pretty regularly so that they're not there all the time because quite often we're asking staff, as you can imagine, to go into places where it's not particularly habitable. They absolutely go in to support our customers, and there's never a question about that. We get huge volunteer uptake when we ask staff to come in to support an emergency, but we are very careful about that very point about making sure that we manage the wellbeing of staff. If we don't do that right then they can't support our customers.

Senator DAVEY: Do you have a surge-staff capacity to help support in these times of crisis where you might need more staff than what you have available?

Mr Howard: Headcount-wise, we've got about 21,000 people in the service delivery group. Generally, we are able to satisfy the needs of an emergency within our two major divisions: face-to-face services and smart centre operations. On occasion, we do reach out across the agency, and we have some networks to be able to do that, but we support the vast majority of it in the service delivery network. As I said, there are always people putting their

hand up. In my experience, we've never really had problems staffing an emergency, because staff are really keen to help.

Senator DAVEY: I'd be happy for you to take this on notice: from 1 January 2022 to this budget, could you break down through local government areas how many DRA and DRP payments have been made throughout Australia?

Ms Skinner: We can do that, yes.

Mr Thorpe: We might not have that date range in front of us but we can get that.

Ms Skinner: We've got some breakdown but not of that date range you've just asked for.

Senator RICE: I want to go to people's Centrelink records and the issue of vulnerability indicators. Does Services Australia apply vulnerability indicators to someone's Centrelink record?

Ms Skinner: Yes, we do where we understand there is a vulnerability.

Senator RICE: Can you tell me what the vulnerability indicators are that might be applied?

Mr Thorpe: There would be a range based on a series of circumstances. Vulnerability is not a persistent situation for a customer. It's often in a particular moment. It could be relating to bereavement, crisis or domestic violence—a range of situations that would inform our approach, which is defined in our vulnerability strategy. Our staff are trained in understanding, assessing and looking for vulnerability in customer interactions. We spoke about that in an earlier discussion today around interactions in the face-to-face and telephony environment when we're listening to what the customer is talking to us about. Our staff are trained to look for those particular indicators, in terms of customers, and then to ask a series of questions.

Senator RICE: If someone has a vulnerability indicator that's on their record—you say some might be related to particular issues happening at a particular time—what about things like if they've got a history of mental illness, or, potentially, suicidal ideation? Would that be a vulnerability indicator that would be on their record?

Mr Thorpe: It would depend on the interaction that the customer's having with the Services Australia customer service representative and whether they're expressing or declaring those types of situations or conditions, if you will.

Senator RICE: So if they had declared that, if they had expressed suicidal ideation, would that then be marked on their record?

Ms Skinner: If they are doing that in a phone call, there would be some capturing of that record. If they did it while they were speaking to us, they would be immediately offered a referral to social work support. If people are significantly distressed in the moment, in the service centre, on the phone, the officer will try to get some immediate assistance through social worker support.

Senator RICE: I'll come back to that issue, but stick with the issue of vulnerability indicators at the moment. If they've expressed that, or if you know that they've had exemptions from mutual obligations because of mental illness in the past, would that be on their record as a vulnerability indicator?

Mr Thorpe: There wouldn't necessarily be a direct link to an exemption placed on a mutual obligation in a vulnerability indicator. However, as part of an interaction we're having with a customer, we'd be assessing and looking for potential vulnerabilities and talking to that customer about whether they need extra help. As the CEO cited, we'd be looking to escalate this to a more specialised officer, including social work support.

Senator RICE: I understand that's the point of the vulnerability indicator.

Ms Skinner: The service officer can see recent interactions with the agency when they're looking at a customer's record. They can see some of those interactions. What they're looking for will depend on what the conversation is.

Senator RICE: You've mentioned some of the vulnerability indicators: do you have a list of what they are?

Mr Thorpe: We can provide that on notice. I don't have a list of indicators in front of me. As for the principles for a setting to apply vulnerability as an indicator on a customer's account, we'll come back to you on notice.

Senator RICE: If somebody does have a vulnerability indicator—and I particularly want to look at issues with mental illness—what would that mean in terms of their engagement with Centrelink?

Mr Thorpe: It speaks to a comment we made just a moment ago—that particular customer would likely receive more specialised service and support in future interactions. As the CEO cited, that's why we keep a record of interactions and what was discussed to make sure we don't start again to try to understand similar situations or issues that the customer has highlighted to us.

Senator RICE: I want to go to an example of somebody for whom I would have thought there should have been a vulnerability indicator to then raise concern about sensitivities. It was someone who had a record of mental illness, having been exempted from mutual obligations because of issues with their mental health, who was then sent an automatic debt recovery notice. This then tipped them over the edge and they attempted suicide. I find it striking that either their history didn't trigger having a vulnerability indicator on their record or their vulnerability indicator didn't trigger that you should not send a debt recovery notice to this person out of the blue. Tell me what went wrong in this example?

Ms Skinner: The best way for us to approach any particular example is to get some customer details and understand what sort of service, support and recovery we can provide. I couldn't really comment without having a look at what we did and didn't know, how the debt system interacted with what we did and didn't know, when the system sent a letter, and that sort of thing. I'd need to get customer details to provide anything for you in particular.

Senator RICE: I understand that for that instance, but to me it spoke of an issue that someone like that should, I'd have thought, have had a vulnerability indicator on their record that should have prevented an automated debt notice being sent. I want to know, in your system overall, would that history of mental illness, which had resulted in exemptions from mutual obligations in the past, be sufficient to have a vulnerability indicator that would say, 'don't send automated debt notices to this person'?

Ms Skinner: We'd need to have a look at the interaction of the debt system—which is an old system and quite challenging to work with—and its interconnectivity with the customer record system for me to understand whether those two things could have interacted in a way that was not helpful.

Senator RICE: It worries me, particularly with what we've learnt about the issues with robodebt, that you're saying the debt system is old and doesn't interact with all of the other data you've got, which means the potential for these sorts of instances occurring sounds to me quite significant.

Ms Skinner: I'm not an expert on exactly how it interacts, but I don't think we've made any secret of the fact that the debt management information system is one of the systems we would call legacy technology. It's difficult for staff to work with in terms of calculating debts, but they are experts in what they do. We'll take on notice how those two things interact and, if there was a vulnerability indicator, how it would be understood as the debt system doing something and the type of automatic debt notice that could be sent, because there are different situations where something might just be triggered in the Centrelink system. There are a range of things. On the one hand, yes, that should all be stitched up. Maybe there were things we didn't know; maybe there were disconnections. I don't know whether it's a service recovery, a service underperformance or there was just something that we didn't quite know at the time.

Senator RICE: You would acknowledge then that, because of the legacy technology of your debt system, it could be sending out automated debt notices that would have the potential to cause harm to some of your vulnerable customers?

Ms Skinner: I don't think I'd go that far.

Mr Thorpe: Going to the CEO's point earlier, one of the important things would be to understand that particular customer's individual circumstances. Part of that would be to understand how our staff member assessed any interaction that occurred up to that point and whether or not an indicator was set. Therefore, we can understand how the system should respond and did respond.

Ms Skinner: It may be fine.

Senator RICE: But that's what I'm getting at. Even with your legacy automated debt technology, what I'm hearing you saying is that, even if that was identified on the person's record, that wouldn't necessarily stop you from sending them an automated debt notice.

Ms Skinner: It should. Mr Birrer might have some more detail. It should, but I don't know the time, I don't know the context and I don't know the time frame that you're talking about.

Mr Birrer: As Ms Skinner said, if you want to give us any details offline—if the person agrees—we can look into their individual circumstances. One thing I would say is that, even if someone does receive a debt notice—and we do make this information available on our website and try to convey this message to customers—if they are suffering hardship, they should contact us about debts to talk through their options. Again, it goes to the circumstances of individuals.

Senator RICE: Sadly, people, when they're in an extremely depressed, potentially suicidal-ideation state of mind, are not always rational and knowing, 'I can ring Services Australia, and they'll help me out.'

Mr Birrer: I agree, but there is a spectrum and a range of mental health issues, so depending on when we last interacted with the customer, how current or contemporary our knowledge of their personal circumstances is can vary, so it's difficult to be able to respond in relation to an individual.

Senator RICE: I understand that, with relation to individual, but my concern—which is, in fact, heightened by this conversation—is that you're saying that, because you don't have that good connection between your automated debt notices and what you know of the circumstances of people, it would not be an isolated incident for debt notices to be sent to people in cases where your knowledge of those people would indicate that they shouldn't be sent an automated debt notice.

Mr Birrer: I would say that we tailor our approach to debt raising and recovery based around individual circumstances, particularly hardship. What I can't sit here and say, and I wouldn't try to, is that we catch each instance every time.

Senator RICE: That's the problem. You might be doing it 97 per cent of the time, but the other three per cent are human beings that are going through an awful period of their life, and you sending them an automated debt notice can tip them over the edge.

Mr Birrer: We do continually review and refine our debt raising and recovery strategies, including in relation to people with vulnerability indicators, but, again, I can't promise that we will catch each instance.

Senator RICE: Are vulnerability indicators applied to anyone receiving income support or just people who are engaged with Workforce Australia?

Mr Thorpe: The indicators would be applied to a broader range of income support payments.

Senator RICE: So, as well as the list of vulnerability indicators, could you give me a breakdown of the people with a vulnerability indicator by payment type and year over the last five years?

Ms Skinner: Yes, if we can. The vulnerability indicator will be on the customer's record against their customer record reference number. That might be a case where trying to unpack or de-tangle a customer reference number from the vulnerability indicator and their payment might be a bit tricky, but we'll have a go at that.

Mr Birrer: Also, some vulnerability indicators are enduring and some are episodic.

Senator RICE: That's what I wanted to know as well: which of them would expire, and what the expiry time is on them, and which ones. You've identified that somebody may have had severe mental illness five years ago; so how long would that then be a vulnerability indicator on their record?

CHAIR: Thank you, Senator Rice. It's 1 pm, so the committee will suspend for one hour. We will be returning to outcome 1 after the break.

Proceedings suspended from 13:00 to 14:00

CHAIR: The committee will resume with questions under outcome 1.

Senator RUSTON: I'm wondering if someone could give me some stats in relation to the income management provision in terms of your activities. How many people are on the SmartCard in Ceduna at the moment?

Mr Thorpe: I've got a total figure of 4,060 transferred to enhanced income management. What I'll do in the meantime is see if we can get you a number for Ceduna.

Senator RUSTON: What I'd like to know is how many people are on any form of income management, and the form of income management, in Ceduna, the Kimberleys, Goldfields, Bundy, Hervey Bay and the Northern Territory, including the BasicsCard, and other areas in Australia including any BasicsCard. If you could get that to me as a matter of some urgency, that would be fabulous. I'd like to ask you some questions about that.

Mr Thorpe: Sure.

Senator RUSTON: What is the cost per card or per participant for a SmartCard user as we sit here today?

Mr Thorpe: I don't have a figure for cost per participant. I can talk about the broader budget that was allocated to Services Australia for the context of transitioning customers off the cashless debit card to enhanced income management. But, in terms of cost per participant, I don't have that figure, because we haven't solved or resolved the future of income management. In other words, we don't have a policy setting that defines the total number of people to be using enhanced income management.

Senator RUSTON: There was an announcement made on 6 March that the cashless debit card would be abolished. There are a number of people who were on the cashless debit card who are compulsorily required to remain on income management, and you can't tell me what it's costing you for those people to be on that card?

Mr Thorpe: The reason why I can't provide that costing to you is that the majority of costs associated with the implementation of enhanced income management relate to the foundational settings, infrastructure and services required to run a card system.

Senator RUSTON: Ms Skinner, I'm finding it quite interesting that we've got quite a significant policy announcement that was announced for the election and subsequently has been enacted through legislation through the parliament. You're going to implement it, but you don't seem to have any idea of what the costs were. Did you do any modelling or provide any modelling to the government prior to the announcement or the legislation going through the chamber to give the government some sort of indication about the costs that would be associated with it from Services Australia?

Ms Skinner: Certainly. We would have done costing. As Mr Thorpe said, a large component of that would be foundational costs, and then there will be some volume related costs. Mr Thorpe, have you got the breakdown of the way in which those costs are broken up.

Mr Thorpe: We don't have the breakdown of those costs, but we do have the costs allocated to the agency, being \$46.6 million for the 2022-23 financial year, and a further \$119.7 million for the 2023-24 financial year, which is a combination of enhanced income management and income management. It's combining both of those measures together.

Senator RUSTON: Can I unpack that? You talk about enhanced income management and income management and combining the two. My understanding was that it wasn't compulsory for people who are on income management to go onto enhanced income management. You just said you were combining the two.

Mr Thorpe: Apologies. For clarification: I'm combining the cost of the income management program and enhanced income management and reflecting to you that in the 2023-24 financial year the total cost of that is \$119.7 million. The two programs are not coming together.

Senator RUSTON: Can you break that down into the two programs?

Mr Thorpe: I'll have to take that on notice.

Senator RUSTON: The \$46.6 million for 2022-23, you said—

Mr Thorpe: Correct.

Senator RUSTON: What was that specifically spent on?

Mr Thorpe: That was spent on a range of functions, including service delivery readiness, customer communications—

Senator RUSTON: 'Service delivery readiness'—could you tell me what that actually is?

Mr Thorpe: Absolutely. One of the key functions of enhanced income management is the ability for customers to contact Services Australia to receive customer service relating to their card. It's about making sure our agency's ready to take those phone calls and help customers set up a smartcard or resolve issues with using it, for example. Another—

Senator RUSTON: Can we unpack these one at the time. You're saying 'for Services Australia to be ready'. Is Services Australia ready?

Mr Thorpe: Correct. In context of the 2022-23 financial year it included a component of service delivery readiness and a component of communications.

Senator RUSTON: Just go to the service delivery readiness. You said for Services Australia to be ready to assist people in their day-to-day interactions with their card. I'm asking, are you ready to go?

Mr Thorpe: Correct.

Senator RUSTON: If I'm on a smartcard, I can now ring Services Australia and get everything I need?

Mr Thorpe: That's right.

Senator RUSTON: I will get to that in a minute, because there was some suggestion that you weren't. You said 'so that they can undertake the transition'. What transition does one need to undertake moving from the cashless debit card to the smartcard?

Mr Thorpe: It depends on the customer's circumstances in terms of where they were residing at that particular time, whether they were in one of the four locations of the cashless debit card or, for example, in Cape York through the Family Responsibilities Commission as an example. So it depends on the location and circumstances of the customer. Part of the transition, though, wasn't just changing the card; it was about making sure we understood their circumstances. One of the key features of the new approach is to make sure that we have

wraparound services to support customers, including financial counselling and social work, for example, and including anything related to Centrepay too.

Senator RUSTON: If you're providing extra services to somebody around drug and alcohol or whatever it happens to be, I'm trying to understand what it is that is different between what people were getting previously in terms of the functionality of the card. Does anybody have to ring you up and say 'I'm on cashless debit card and I'm in Cape York or Alice Springs' or wherever they happen to be? Do they have to do anything in order for their card to continue to work for the functionality of the initiative that they're using? Do they have to do anything? Do you have to change anything? Is there any technical or functional difference in what they've got before them?

Mr Thorpe: There are a couple of elements that change under the program. We naturally spoke about the customer service aspect, and we've already covered that. The other parts relate to the product-level blocking. The product-level blocking associated with the card reflects the product-level blocking that's associated with income management, so there's a slight change from cashless debit card. It includes some new functions. They include the blocking of tobacco and pornography—that's my understanding, but I will check that now—in addition to the existing product-level blocking that occurred under the cashless debit card.

Senator RUSTON: For the purposes of the customer who has the card and the account, the only thing that changes there is that if they go in and try to buy tobacco or pornography they can't. It's not like they have to do anything, is it?

Mr Thorpe: Correct. One of the key features of the transition was to minimise the impact to customers to make sure that things like their deductions and their account will continue to work. That was a core feature of the transition, which is why it enabled the seamless transition off CDC to enhanced income management. Another technical feature that's just been released recently is that CDC used to work on the Visa network, and enhanced income management does as well, but it now also works on the eftpos network as well, so it broadens the usability of the card. That means a couple of things for consumers. It means there are cheaper transactional fees associated with eftpos—it's roughly about one per cent less than Visa.

Senator RUSTON: But this was all underway well before the decision to change the smartcard. These were the enhanced features that were being designed for the cashless debit card. I'm just trying to understand if anything at all has changed except that instead of ringing Indue they ring Services Australia. If I was on a cashless debit card this time last year, and I'm on a smartcard today, is there anything that has changed except that they're ringing a number at your organisation, Ms Skinner, when they would have been ringing Indue; anything that wasn't already on foot in terms of the continuous development of seamless use of the cashless debit card as part of our financial and banking highway that was already in existence?

Ms Skinner: Mr Thorpe has outlined the program as we now run it. The underpinning technologies represent modern banking technologies with some further enhancements and the agencies would provide the extended services we do with all sorts of customers if they contact us.

Mr Griggs: I think that's the key point. It's not just ringing a different number; it's the level of integrated support that is provided through Services Australia.

Senator RUSTON: I suppose my question would have been, was there any need to change the name of the card for that integrated additional service to be provided to the customer?

Mr Griggs: It was a decision of government.

Senator RUSTON: Minister?

Senator Farrell: It was a policy we took to the last—

Senator RUSTON: I wish I hadn't asked this question!

Senator Farrell: The proposition that you go to the election, you tell the people that you're going to do something, you get elected and then you introduce it, I know that's a foreign concept to the coalition. But for the Labor Party it's in our DNA. If we promise something to the Australian people and we're lucky enough to get elected—because we don't get elected all that often, to be honest about it—it's worth observing that we are now in government federally and in every state in the Commonwealth on the mainland—but if we go to the election with a promise to the Australian people, we are prepared to implement that promise in government. To the credit of Minister Rishworth, that was one of the very first things that she did. I think it's worth observing that, for instance, in the Northern Territory the Labor Party won both those seats—two largely Indigenous seats. What you'll see with this government under this leader, Anthony Albanese, is that if we say we're going to do something before the election, that's what we'll do after the election, if we're lucky enough to be elected.

The people here with me on the table know a lot more about the practical application of this technology. There are significant differences between before and after. I know you want to try and characterise it as simply a name change, but that isn't correct. There's a lot more to it. As I said, we have honoured our undertaking to the Australian people. To be honest with you, it's about time that the coalition accepted that it was a promise that we made and accepted that we have done what we said we were going to do and move on to something else.

Senator RUSTON: Thank you very much, Minister.

Senator Farrell: That's just a bit of advice.

Senator RUSTON: All advice gratefully received but not always taken. I will put on the record that despite your assurances about your intention to implement all your election commitments, no matter how ill-founded or ill-consulted they were, I still absolutely maintain my position that this has been nothing more than the change of a card name. Could I go back to Services Australia.

Ms Skinner: Senator, the question you asked us before about Ceduna—

Senator RUSTON: Can I finish on this line of questioning, and then I will be interested in coming back to you. You were saying that you're fully ready in terms of the customer interface for people who are on the card to be able to contact Services Australia. When does the current contract with Indue for services cease? My understanding was that the new contract with Indue in relation to the delivery mechanism for the back of house for the banking highway component of it began in September. What is the relationship at the moment in terms of the contractual arrangements between Services Australia and Indue? Obviously, there's the provision of the ongoing banking service, but is there any other service, if you've already fully taken over that?

Mr Thorpe: Services Australia has a contract with Indue to provide, as you say, the banking services card and necessary infrastructure to connect to EFTPOS and the Visa system. That contract was put in place on 30 January 2023 and currently is due to expire on 30 June 2024.

Senator RUSTON: So there's a bit of an overlap at the moment between what they're doing and what you're doing, and then you'll take full responsibility on 1 July for the whole thing.

Mr Thorpe: Just to clarify, Services Australia, from 6 March this year, has taken every single phone call related to the activation and support for SmartCard.

Senator RUSTON: Okay. In terms of the rollout delay, I'm sure you are aware of an article that was in the *Sydney Morning Herald* back on 5 March. There were media reports saying that there was a concern in relation to the transition from the BasicsCard and the CDC to the SmartCard. In that article it was reported that the minister, Minister Rishworth, had sought advice from the agency about your preparedness for the transition. I'm interested in understanding what the concerns of the agency were in relation to the transition, because Mr Thorpe has just said he wasn't worried about the transition in terms of the support services. So what were the concerns that were raised at the time?

Ms Skinner: I don't think that's factually accurate. The agency provided advice to government about its ability to transition to the service, settle the contractual arrangements and build any necessary technological connections between the Services Australia infrastructure and the banking infrastructure. That was all well in place.

We manage our large technical releases and new programs in a quarterly cycle. That weekend of 5 March—3, 4, 5 March—was what we would call the March major release window, and a range of new technical programs and other updates were made to the Services Australia systems. That's where the March date broadly comes from. Is there anything else, Mr Thorpe?

Mr Thorpe: Only to say that the second part of readiness speaks to the future of income management and, subject to the passing of potential legislation, speaks to our readiness for any activation of income management to enhanced income management by September.

Senator RUSTON: So you're quite comfortable that the concerns that were raised in this article in relation to preparedness were of no concern and remain of no concern?

Mr Thorpe: Correct.

Ms Skinner: We've managed the transition well.

CHAIR: Senator Ruston, I'll just give you an indication that I'll rotate the call shortly.

Senator RUSTON: Would it be possible for me to get that information [inaudible]? Okay. Super.

Ms Toze: In terms of the number of people on enhanced income management, the total, as Mr Thorpe said, is 4,038. In Bundaberg and Hervey Bay, there are 22 participants; Cape York, 106; Ceduna and surrounds, 19; East

Kimberley, 43; Goldfields, 43; Northern Territory, 3,783; and out of area, 22, and those people might have been in an area and they moved subsequently.

Senator RUSTON: Great. In terms of the kinds of services and product-level blocking, technology advancements et cetera, has your agency provided any advice to government about the cost-effectiveness of this program as an ongoing program in an area like, as you've just said, Bundaberg and Hervey Bay, where 22 people have remained on the card voluntarily, or have moved to enhanced income management voluntarily? Clearly, I would like to know what it's costing for each of those 22, as opposed to what it's costing for the 3,783, as well as what it cost when there were significantly more people on income management—when there were many thousands in each of these areas. Have Services Australia expressed any concern or provided any advice about the financial viability or cost-effectiveness of operating a program for 22 people or, in the case of Ceduna, 19 people, East Kimberley's 43 or Goldfields's 43?

Ms Skinner: I'll hand to my colleagues. We run a national system, so small numbers of people in that situation don't—there's not a specific thing that has to happen for it. Because we run a national system, our role is to provide a costing for what a program will cost from our perspective. It's up to the policy agency to use that costing to formulate any broader view about effectiveness.

Senator RUSTON: You said you run a national system. Clearly, product level blocking by merchants, particularly mixed merchants, is not something that is—what would be the point of requiring a merchant, particularly a mixed merchant, that sold tobacco or alcohol in Bundaberg to invest in the kind of technology to support a program like this when there are 22 people living in the area? You've not provided any advice—I don't know whether Mr Griggs might like to make some comment about this, given he's the policy owner of this—around the cost-effectiveness of running a program where there is a technological impact of this for 22 people in Bundaberg and Hervey Bay, 19 people in Ceduna, 43 people in the East Kimberley and 43 people in the Goldfields. What is the cost-effectiveness and what is the penetration and application of your product level blocking and your technologies that sit alongside supporting this as a program?

Ms Skinner: If you like, we can talk a bit further about the product level blocking.

Senator RUSTON: I quite understand what product level blocking is. I'm asking about the cost-effectiveness of product level blocking for a mixed merchant who is in Hervey Bay. Why would he invest in that technology?

Ms Toze: The thing I would say to this is: the customer numbers might seem small at the moment, but, as you're aware, there is legislation currently before parliament which would give people the option of moving from a BasicsCard, which is quite an inferior product in comparison, to the SmartCard, which is a contemporary card offer. We would expect that, should that legislation pass, we would see numbers increase as people want to take up that contemporary card offer. Like with any voluntary program, the numbers at the beginning, which is where we're at, would naturally be lower than for a program which is compulsory in nature. We know that the future of income management more broadly is a subject of consultation and a decision from government.

CHAIR: Senator Ruston—

Senator RUSTON: This is really important; I'm sorry, I wouldn't usually do this. Thank you for your indulgence, Chair. How many people in Bundaberg, Hervey Bay, Ceduna, the East Kimberley or the Goldfields are on a BasicsCard?

Ms Toze: I don't have that level of detail on the BasicsCard.

Senator RUSTON: I think I can give you the answer; it's probably none.

Ms Toze: I have other information that I can give you on income management.

Senator RUSTON: Are there people on the BasicsCard in those four sites?

Ms Toze: I would have to take that on notice.

CHAIR: Senator Ruston, I'm passing the call to Senator Rice. I will return to the opposition immediately after.

Senator RICE: I want to go to the energy bill relief package. We've got the Energy Price Relief Plan, which, I understand, will deliver up to \$500 in electricity bill relief for eligible households and \$560 for eligible small businesses. How is Services Australia going to advise income support claimants of this?

Mr Thorpe: This particular measure is a Treasury led initiative; however, Services Australia is supporting the measure. We do that in a couple of different ways. One is to connect energy providers with our system, being the Centrelink confirmation e-services. That ensures retail providers are able to, with customer consent, make sure of and check customer eligibility on income support payments, which is a key component of this measure. The second part is an online portal to enable customers to provide that consent—in other words, contact Services

Australia and authorise for their information to be provided to the energy retailer—for which the rebate can then be used in a future bill.

Senator RICE: How are you going to advise income support recipients that this is available to them?

Mr Thorpe: For 75 per cent of customers this relates to, they do not need to do anything; it'll automatically be applied. The other 25 per cent of customers under this particular measure relate to new levels of eligibility; my colleague Cathy will take us through more detail pertaining to that. That 25 per cent will require a little extra help in terms of being notified about that.

Senator RICE: Can you clarify: why will 75 per cent not need to do anything? Have they already got their income linked with their energy retailer?

Mr Thorpe: Correct.

Ms Toze: Those particular participants have provided consent and data sharing between the agency and the energy provider which determines eligibility for rebates. They will be getting other state or territory rebates as a matter of course and are quite used to the process. That will automatically occur for the expanded cohort, which is people on family tax benefit A or B, carer allowance, the Commonwealth Seniors Health Card and some DVA concessions. What we know about that cohort is around 90 per cent of them are registered for our online services, so we'll be sending a letter out to them and asking them to provide their consent for us to share the information with the energy provider around their eligibility. We're developing a portal. We'll advise the customer to provide their consent for us to share that information, which we will do with the energy provider, and then the rebate will be applied to the bill.

Senator RICE: So people would have to log into the portal and not have to reply physically to the letter that you're sending them?

Ms Toze: Yes; they will log on through myGov and the Centrelink online service. As I mentioned, 90 per cent of these people are already enrolled and we know that they've got a high level of maturity in terms of using our online services.

Senator RICE: How about the other 10 per cent, then?

Ms Toze: We will be writing letters and doing SMSs as well, and there'll be information on the energy.gov.au website and our website, and we can also target social media as well.

Senator RICE: Are you going to be monitoring take-up, to make sure that everyone who's eligible for it is taking it up? Taking a step back: in terms of the 75 per cent that are already eligible for other concessions, is there a cohort of people who are eligible that you know of who aren't getting the energy concessions for whatever reason—bureaucracy being too much for people, and things like that?

Ms Toze: Not that I'm aware of. That hasn't come up in the discussions with Treasury either. Most people I'm aware of would be getting their rebates. We are taking phone calls and our staff are well trained, and if somebody who should be eligible for that rebate, or any rebate, rings, we will make sure they're connected and that the information sharing is occurring.

Senator RICE: Going back to my question as to what monitoring you're going to do: I understand you will be bringing it to people's attention, but what monitoring will you do to ensure that everyone who is eligible is getting it?

Ms Toze: We're working very closely with the state and territory jurisdictions and also with Treasury, who is working with the energy providers as well. We will be keeping that going right through implementation and monitoring the take-up as well. We're also providing information—

Senator RICE: Will you be reporting on that in some way?

Mr Thorpe: We will be reporting on that and we will be providing that to Treasury, being the policy owner for this initiative.

Senator RICE: Will people get just one payment of \$500 or will it be spread out over time?

Mr Thorpe: It depends on where the customer lives. In every state and territory there are slightly different implementations based on the state and territory settings that occur. If you're in New South Wales you will receive \$500 per eligible household. In Victoria you'll get a \$250 direct payment complemented by Victoria's 2023 power saving bonus payment. The Northern Territory is slightly different; the amount is \$350. In the Australian Capital Territory it's \$175 per eligible household, and the ACT will back that in with an additional \$152 rebate as well. It depends on the state or territory. It's not a consistent amount of money or a consistent process. But the majority of customers will see some level of rebate in their next bill from 1 July.

Senator RICE: Up to \$500, depending on the state or territory. That's per year?

Mr Thorpe: Yes.

Senator RICE: Okay. And, because it was announced over two years—

Mr Thorpe: Just to clarify: you're correct. It's for two financial years, subject to government decision.

Senator RICE: So it's committed for those two years and then may or may not be extended beyond those two years. Okay. Can I move on to something completely different: remote servicing teams.

Ms Skinner: Yes. I'll ask Mr Howard to come back to the table.

Senator RICE: Thanks, Mr Howard. Can you just give me a recap: what services do Services Australia's remote servicing teams provide to remote communities?

Mr Howard: The remote servicing teams go out into community and can provide a range of services across all of our payment types. They'll also link across with programs. They'll talk to customers about Medicare, about child support arrangements and about debts they may have. They also will link other government services. Tax file numbers are a common service that the remote servicing teams provide. They'll wrap around social work services if required. Quite often—

Senator RICE: Sorry, I missed something. What numbers? 'Something numbers', you said there.

Mr Howard: Tax file numbers. It's one of the things that can assist with accessing other services. The remote servicing teams do a deep dive, if you like, into the customer before they actually go out. So, when they know that they're going out into a particular community, they'll look into our systems and look at the customers that we've got in those areas. They formulate, in some instances, a list of things that the customer might have outstanding: where we might notice that a baby's been born but they're not on payment for a family tax benefit—those sorts of things. They'll go looking for specific customers. They'll engage with elders in the community, or quite often, if we've got an agent or an access point, they'll use the staffing in there to help them get the word out that they would like to talk to specific customers about these things. So they try a range of different methods to push and help customers to access the services that we know they potentially might be able to access, as well as then allowing customers to just roll up and have their inquiries serviced.

Senator RICE: How much notice is given to a community that the remote servicing team is coming?

Mr Howard: It varies because sometimes, for a variety of reasons, such as logistics, plans have to change. But generally we give as much notice as we can. I'd have to take on notice the exact time frames. Certainly, with the enhanced remote servicing that we've done in Alice Springs, for example, from 1 February through to now, in some instances we weren't giving a lot of notice that we were going out into community because we'd put extra remote servicing teams in. But we try to make sure that we're giving as much notice as possible so that customers know that we're coming.

Senator RICE: When you talk about Alice Springs, you're going out from Alice Springs into remote communities?

Mr Howard: That's right.

Senator RICE: It's not that Alice Springs is a place serviced by the remote servicing team?

Mr Howard: Yes, sorry. When I mentioned Alice Springs, I meant we were launching from Alice Springs. That's right.

Senator RICE: When a remote servicing team is visiting a community, how long are they usually there for?

Mr Howard: Once again, it depends on circumstances in the community serviced. Sometimes they'll be there for a couple of hours. Sometimes they might be there for a day. The remote servicing team can sometimes be on the road for two weeks going around a number of different communities, but on average I'm pretty sure it's about a day, or sometimes two, that they'll spend in location.

Senator RICE: How has the number of remote servicing team visits trended in recent years?

Mr Howard: As of 31 March, for this financial year, 217 face-to-face remote servicing trips have occurred into 338 individual communities. Some communities required multiple visits. So, a total of 422 remote community visits have been conducted. They also have done over 10,000 outbound virtual servicing contacts. Quite often if we have had to stop remote servicing for a particular reason—logistics, the weather—we still try to do a virtual servicing arrangement in a community. We did stop a number of remote servicing visits during COVID, at the request of state governments, in accordance with the health restrictions. I'd have to take on notice the trend between how it was before COVID and now.

Senator RICE: Okay. Those 217 face-to-face visits in 338 communities: how can you have 338 communities serviced by only 217 face-to-face visits?

Mr Howard: Sorry—217 remote servicing trips.

Senator RICE: Trips—okay.

Mr Howard: They might have been out and serviced more than one community in a trip.

Senator RICE: And 338 communities. And what was the 422?

Mr Howard: As some communities required multiple visits, a total of 422 remote community visits were conducted.

Senator RICE: Okay—where a visit might be, as you said, a day or two days.

Mr Howard: That's right. And you might have then come back—

Senator RICE: Come back; yes. Okay. That's the numbers to 31 March this year. Perhaps you could take on notice the numbers for the previous full financial year, which was pretty much post-COVID, you would think—

Mr Howard: Yes.

Senator RICE: and then compared with the year pre-COVID—so, 2018-19. Thank you.

CHAIR: You've got a couple of minutes left in this block, Senator Rice.

Senator RICE: I'll continue on with a focus on First Nations peoples. Does Services Australia have an Indigenous employees network?

Ms Skinner: Yes, we do.

Senator RICE: How is that Indigenous employees network used in terms of mechanisms for consulting on issues that affect First Nations people?

Ms Skinner: Certainly. I might get Mr Egan or Mr Nelson to assist. I would just preface by saying that just under six per cent of Services Australia's workforce is Indigenous, and we have six or seven SES officers who are Indigenous. So, we have a very diverse workforce in that way. We have a network. Staff assist with things like reconciliation action plans, for example. But we equally don't expect that our own staff should have to be the customer research base for Indigenous issues, either, because they are employed by us, with things to do. Some are part of those sorts of things, but I also don't seek for our staff to have to in some ways have more than one role just because they are Indigenous. There are roles in which Indigenous people occupy roles that have Indigenous interests as part of their occupation, but I don't have a view that just because you're Indigenous you get to have two jobs in our place, because mostly they do anyway, in representing their community. I might just ask Mr Egan or Mr Nelson to talk about the community network.

Mr Egan: We have a couple of different networks in the agency. One of the key ones is managed by the Indigenous Employment Solutions Team. That team, within the People Division, will design a lot of strategies for the employment, retention, development and support of Indigenous employees within the agency. That team consults with the Indigenous Employees Network in developing a lot of those programs and supports across the agency. That Indigenous Employees Network is also consulted on a range of operational measures, because their expertise is useful, particularly around how our Indigenous Service Officer Network functions.

Senator RICE: Does the network have any role in consulting on public policies that are developed for First Nations around the country?

Mr Egan: Services Australia has some role from time to time in the development of some of those strategies. When it comes to Indigenous employment within the Public Service, for example, Services Australia is consulted and our Indigenous employment solutions team as well as our Indigenous employees network. The feedback from that network is used to help inform policies around the Public Service more generally. We also have a really strong design capability within the agency, so other agencies across the Commonwealth will use Services Australia as a bit of a design hub for helping to design different policies. Some of them would relate to Indigenous employees or Indigenous servicing.

Ms Skinner: Services Australia also manages and conducts Indigenous apprentice program across the whole of the Australian public service. That's part of the work that they do.

Senator RICE: Do you know whether Mr Shorten's office has any Indigenous policy advisers?

Mr Egan: I'm not sure. We'd need to take that on notice.

Ms Skinner: I don't know.

Senator Farrell: The answer is no.

Senator RICE: Can you take it on notice if that's not the case?

CHAIR: Senator Reynolds?

Senator REYNOLDS: Going back to the budget numbers, I want to follow up the discussion we had earlier on ASL and then total budgeting number. I see we've got Mr Egan there, which is good. If I remember correctly, ASL for 2022-23 was 28,560. ASL under this budget will drop to 26,692 and that includes the 850 for the—

Ms Skinner: For the emergency centres, not myGov.

Senator REYNOLDS: That is funding for those 850 positions for one year only at this stage. The budget is just for one year. That would then mean that by 2024-25, ASL will go down to 25,842, if my maths is correct.

Mr Egan: The agencies budget and ASL allocation is a product of some base level of funding as well as funding that's dependent on customer volume and projections of them, as well as continuing—

Senator REYNOLDS: I understand that but that's not my question. The question is whether that 850 is not across the forwards, it's just for one financial year.

Mr Egan: If everything else remains static, that's true.

Senator REYNOLDS: As you said, that would take it down to 25,842, on that assumption, which is just over 3,500 fewer than last budget—2022-23.

Ms Skinner: That is the maths of it, noting that there was an additional 2,121 for this financial year above the baseline.

Senator REYNOLDS: But it wasn't funded by the government in this budget for those positions to continue. Going to your total resourcing. I think it's table 1.1, the PBS statement. Your total resourcing was just over \$9 billion—\$9,040,434—last financial year, and it's now \$8,592,858. Is that correct?

Ms Skinner: I think we're probably really operating off the 6,548, which is up a bit further. But for special accounts and all of that sort of stuff, I'd have to get the CFO to talk through those.

Senator REYNOLDS: Either way, whether it's the 6,548, looking at both it's round about half a billion dollars less than last year.

Ms Skinner: That's correct. We're working from the total departmental annual appropriations. The estimated actuals for 2022-23 are \$5.3 billion. That's the number above the bolded one halfway up the page. We are working towards an agency funding position of around \$4.8 billion to \$4.9 billion for this financial year, so about half a billion dollars difference.

Senator REYNOLDS: If you go to table 1.1 on page 189, 'Third party payments from and on behalf of other entities', which, as I understand it, is the total amount of disbursements you do on behalf of other agencies across the federal government. Is that right?

Ms Skinner: I'm going to hand over to the CFO at this point.

Ms Diamond: That's right, Senator.

Senator REYNOLDS: The total third-party payments from the budget before last was \$221.25 billion or thereabouts. Is that correct?

Ms Diamond: That \$221.3 billion is actually estimated actuals for this financial year.

Senator REYNOLDS: The estimate for this budget, for 2023-24, has that increasing to \$238½ billion?

Ms Diamond: That's correct.

Senator REYNOLDS: Okay, so your payments are going up?

Ms Diamond: That's right.

Senator REYNOLDS: And your operating money is going down, as is your staffing.

Ms Skinner: I just would point out, though, that there are policy adjustments to the rate of payment of pensions and the energy relief fund—just all of those things. Those things—

Senator REYNOLDS: Which happen all the time.

Ms Skinner: Yes. That will be part of the growth in the outlays. The point I'm making is that it doesn't necessarily go to the volume of work.

Senator REYNOLDS: No, I understand that. It's the same every year because, with the amount of payments you make, it does vary every year. Thank you. Can you please provide a tabulation which lists all the major transformation projects that have received funding in this budget? Have you got a list of those?

Ms Diamond: Yes, I do. There has been a reduction in transformation project funding from this year to next year. That is partly the reason for the reduction in our funding between 2022-23 and 2023-24.

Senator REYNOLDS: Can you provide more detail? Whereabouts is that?

Ms Diamond: That's not in the book, but I can take that on notice and provide that.

Senator REYNOLDS: So it's a reduction in transformation funding from what to what?

Ms Diamond: From this year it's about \$440 million to about \$198 million next year.

Senator REYNOLDS: So it has been more than halved?

Ms Diamond: That's right.

Ms Skinner: We saw the conclusion of a range of larger programs like the Welfare Payment Infrastructure Transformation and the aged-care residential funding in that last financial year, which were significant programs.

Senator REYNOLDS: If I could get a list of that on notice with further details, that would be good. That's the only one?

Ms Diamond: The other main driver, of course, is the reduction in the emergency response funding. We got \$588 million this financial year, as opposed to \$232 million, in round numbers, in 2023-24. That's the other key driver in terms of the actual reduction in funding from this year to next year.

Senator REYNOLDS: Is that for systems or is that money to pay for the extra 850?

Ms Diamond: That's the 2,121 ASL that were funded this financial year, noting that at the beginning of this financial year we had PDLs, along with the heightened emergency response activities with the Lismore floods et cetera.

Senator REYNOLDS: So are you saying that the \$588 million for this financial year paid for the 2,121 extra positions, which have now been reduced down to 850, so the payment has dropped to \$232 million?

Ms Diamond: That's right.

Senator REYNOLDS: So those are the two major project changes?

Ms Diamond: In the main, yes.

Senator REYNOLDS: In terms of the budget, we've just gone through your total agency resource funding. Have you had anything else that was reprofiled funding?

Ms Diamond: There was one item that was actually reprofiled. That was to do with one project. We've moved \$60 million from this financial year into next financial year.

Senator REYNOLDS: Which project was that?

Ms Diamond: That was for the GovERP project.

Senator REYNOLDS: Why was that?

Ms Diamond: That was due to some delays. Obviously, there's a lot of activity in trying to undertake this work. But I think the Chief Information Digital Officer would be best placed to answer that question.

Senator REYNOLDS: Could you take on notice if there is anything more that can be provided about the reasons that that was reprofiled.

Ms Diamond: Yes, will do.

Senator REYNOLDS: Was that the only one that has been reprofiled?

Ms Diamond: Yes, absolutely.

Senator REYNOLDS: Can we go to the agency's community profile tool. These are some of the questions we asked in the letter that came from Minister Fletcher asking for the information for today. I have here the agency community profile tool. I haven't heard of that before.

Ms Skinner: Neither have I. I'm just checking if I'm missing something.

Senator REYNOLDS: It is a document that has a summary of customers' debt, workload, and the industry insights profile by each LGA across Australia. Maybe if you can take that one on notice. I may have to get some more information because it didn't ring a bell with me either. I'll just rattle through these because these were in the letter from Minister Fletcher: the median number of days the agency took to process a claim; the median number of days spent on payment processing; and how many customers received a payment for all Australian government payments administered by, arranged by, year starting with this financial year to date and for every financial year since 2019. Do you have that with you?

Ms Skinner: We don't have it broken down like that. Our annual report does have—

Senator REYNOLDS: What do you have to table now?

Ms Skinner: I am looking for that request from Minister Fletcher. I don't have the particular request from Mr Fletcher in front of me. We might just take that on notice, those particular details of those sorts of payments. It is millions of payments. Most people receive a Medicare payment, for example, so most Australians receive some payment process via us every year.

Senator REYNOLDS: The next one that was in the letter was: can you provide tabulation—I presume that means a spreadsheet—which details all Australian government payments administered by the agency, so by payment types; the average number of days taken by the agency for those payments or claims that have required further action or had to be held for some reason and not processed immediately; the reasons for these actions; and the number of payment claims that have required further action or have been held for 10 days or more.

Ms Skinner: We can provide some detail on the age of the claim or whether the claim was concluded in standard but we would need to look up every reason why a claim may have been picked up by a service officer, considered to be missing some information and then reallocated or the customer being asked for some information. We have a percentage of how many claims are held at any given point in time and how many are actionable. We can give you general reasons why they may be held.

Senator REYNOLDS: That will be fine. I know how the system works. So those that go straight through, which I know are the vast majority of them.

Ms Skinner: In terms of things like emergency payments—certainly. Other payments that have more complex information requirements generally may involve a couple of interactions with customers.

Senator REYNOLDS: That is fine. If you could take that on notice which types go straight through and the percentages of those that get held up for many and varied reasons.

Ms Skinner: Yes.

Senator REYNOLDS: The last one was the national claims overview, which details claims on hand, claims on hand for the same time last year and various—

Ms Skinner: We can provide that.

Senator REYNOLDS: Do you have that today?

Ms Skinner: We know we have around 280,000 claims on hand in the social security and welfare space at the moment. I would need to check with Mr Howard.

Mr Howard: Could you repeat what information you're after?

Senator REYNOLDS: What the claims on hand are now versus the last three years at the same time. If you have some apples and apples comparisons.

Mr Howard: In the Medicare space, as of 30 June 2022, we had 271,804 work items on hand. At the same time, as of 31 March, we had 397,688 work items on hand.

Senator REYNOLDS: Is this just for Medicare?

Mr Howard: This is just in the health space, yes. As of 30 June 2021, we had 267,779 work items on hand.

Senator REYNOLDS: How about other forms of payments?

Mr Howard: In the social security and welfare space, our claims on hand as of 31 March this financial year were 249,851. In 2021-22, as of the end of the financial of year, it was 188,090. At the end of the 2020-21 financial year, it was 127,717.

CHAIR: It is also most time to pass the call, so I want to clarify where you are up to in these figures.

Senator REYNOLDS: I have about another five minutes. I will finish on this line. I have one more question. Could we go to service centres, please. Can you summarise how the agency determines which service centres will be transformed and/or closed.

Mr Howard: The main causal factor in relation to transformation service centres is opportunity around end of lease. As a lease comes up and funding is available from within the budget, we then look to see how we can make the transformations occur, noting that the transformation of service centres is self-funded within the Services Australia budget.

Senator REYNOLDS: So how many are waiting transformation at the moment? How many do you have on the list?

Ms Smith: By the end of this financial year, we will have done 100, so we will have approximately 218 to go.

Senator REYNOLDS: Did you say 218?

Ms Smith: Yes.

Senator REYNOLDS: So it is 318 all up. How many this financial year?

Ms Smith: We have done 100 to date so far over the last couple of financial years.

Senator REYNOLDS: So that's of the 318?

Ms Smith: Yes.

Senator REYNOLDS: On those numbers, will they all be transformed in some way?

Ms Smith: That is correct. So by the end of this financial year, we will have done 94.

Senator REYNOLDS: What is the average cost of transformation?

Ms Smith: There isn't an average. I would have to take that on notice because it depends on the size of the site.

Senator REYNOLDS: If you could provide a couple on notice.

Ms Smith: We have small, medium and large. So I would be able to provide you with that sort of information but I wouldn't have an average cost off the top of my head.

Senator REYNOLDS: Do you have any slated for closure?

Ms Smith: No.

Senator REYNOLDS: So you will still have 318 this financial year?

Ms Smith: That's correct. We have no plans to close any service centres.

Senator REYNOLDS: Are you looking to establish a precinct in Hobart?

Ms Skinner: That relates to an office precinct.

Mr Egan: Sorry, your question related to plans to establish—?

Senator REYNOLDS: Yes, I understand there has been some discussion about a precinct in Hobart.

Mr Egan: Yes. We have a precinct program where we take agency sites that are within a reasonable proximity of each other and consolidate them into one location. We did have a plan to do that in Hobart, but we revisited that plan last year and decided not to proceed with it.

Senator REYNOLDS: Why was that?

Mr Egan: Based on delays with the developer being able to get approvals, we revisited the value-for-money assessment and determined that it wasn't worth proceeding.

Senator REYNOLDS: So it was value for money and then it wasn't?

Mr Egan: Yes, because there were delays and other changes to the contractual terms which meant that it was no longer worth proceeding.

Senator REYNOLDS: Do you recall whether there was any concern by the CPSU about establishing the precinct?

Mr Egan: I don't recall. We certainly consulted with staff, and we consulted with staff at the time of the change of plan.

Senator REYNOLDS: Would you mind taking that question on notice on what the concerns were. Was it just value for money or were there any community concerns or union or staff concerns expressed about that?

Mr Egan: Certainly.

Senator REYNOLDS: Thank you. Are there any precincts in New South Wales?

Mr Egan: Not that I recall, no.

Ms Skinner: Not off the top of my head, no. We have a precinct in Queensland.

Mr Egan: We have recently opened one in Bunbury in Western Australia and one on the Gold Coast in Queensland. We have one opening later this year in Adelaide and we have one scheduled to open next year in Brisbane.

Senator REYNOLDS: So no Hobart and no New South Wales. Are there any other areas or is that it? Are those four the last ones that you are considering at this point?

Mr Egan: Let me just check.

Ms Skinner: In the broad, probably yes. Each time a lease comes up, where there may be a group of leases coming up, we might seek to co-locate and amalgamate where it assists us to have more people together and also just reduce the general leasing costs. We will continue to do that. Whether we will call them 'precincts' if we bring a couple of work locations together is probably a matter of—

Senator REYNOLDS: So you did that—

Ms Skinner: It's not a precinct plan so much as—

Mr Egan: I've found it. We have established precincts in Perth, Geelong, Ballarat, Cairns and Caboolture in addition to the sites that I mentioned.

Senator REYNOLDS: So there are 10 precincts all up. Did I hear you right that there are no plans for any more precincts at this point?

Mr Egan: Not at this stage.

Senator REYNOLDS: Have you had any requests, engagement or direction from the minister not to have any more precincts?

Ms Skinner: No.

Mr Egan: No.

Senator REYNOLDS: Could you take on notice whether you have had any briefings with the minister or correspondence from the minister about this?

Ms Skinner: We can take that on notice.

Senator REYNOLDS: Thank you.

Senator RICE: I want to go back to the issue of debt and, where a debt has been incorrectly raised, what then happens. I was contacted by a constituent and I helped them and intervened on their behalf. They had a debt of more than \$3,000 from Centrelink which was not due. The error was Centrelink's. The person didn't owe \$3,000. Centrelink actually owed the person \$4,700. First of all, you talked about the debt system being legacy software. How can these sorts of things happen? What happens in those circumstances after a debt has been incorrectly raised? For example, this person said, 'Centrelink claimed I owed them more than \$3,000 and threatened daily interest and legal action if I didn't pay it back.'

Mr Birrer: It depends on the particular circumstances. In general, where an overpayment is suspected or raised, it is because there has been a change in the customer's circumstances that hasn't been reflected on their record and so they haven't been receiving the right payment at the right time at the right rate. It's similar to an arrears payment. It's the other side of the coin in that regard. So it can depend upon the exact circumstances. There are a range of circumstances where somebody can have a debt but then not have a debt. A good example of that would be a payment that's reconciled with somebody's tax return and they hadn't put in a tax return but then do. That would be an example of where somebody's circumstances have changed. It depends on the facts of the particular matter.

Senator RICE: In this instance we have a year between Centrelink claiming that this person owed them more than \$3,000 and the outcome of their appeal. Centrelink didn't respond or advise of the outcome of the appeal until a year later, April 2023, after intervention from my office. When an appeal is made like that does Services Australia pause actions, like charging interest? What happens when an appeal is made against a debt?

Mr Birrer: When somebody requests a formal appeal by an authorised review officer we can pause any form of debt recovery. In terms of interest, interest is only applied to a debt when somebody is no longer on a payment and isn't in a payment arrangement with us.

Senator RICE: So would interest automatically cease to apply if they had appealed?

Mr Birrer: It would depend on the circumstances, but if somebody is not on an arrangement then they generally aren't in touch with the agency.

Senator RICE: Is there any recompense in these circumstances when the error wasn't theirs—they didn't owe \$3,000; they were owed \$4,700?

Mr Birrer: It would fall on the particulars of the case.

Senator RICE: What happens if a debt is found to be incorrectly raised and people had paid interest or there was another action, like had a tax refund garnishee? What if action was taken against them and it was later found that the debt was incorrect?

Mr Birrer: It would depend upon the circumstances that led to it. If the appeal found that there was no basis for the debt in the first place then that's one set of circumstances. Another circumstance could be where someone has received a reconciled payment, like family tax benefit or the childcare subsidy, and that would depend upon the exact chronology. A lot of these matters fall upon on the particulars of the cases and the particular eligibility requirements for each of the payments. It's hard to discuss it in the broad.

Senator RICE: I presume you track how many incorrect debts in those various categories are issued.

Mr Birrer: I'm cautious about the term 'incorrect'. Sometimes it is incorrect, sometimes we've applied the wrong information and sometimes our staff have made an error when raising a debt—they haven't followed the right procedures or misunderstood eligibility. In other cases—and we see this quite often—when people get to an authorised review officer appeal they provide new information, so we're able then to retrospectively recalculate someone's entitlement. In some cases it is something that the agency has done that is incorrect and in other cases it is that new information is available to our officers.

Senator RICE: Do you track those instances where the agency has done something incorrectly?

Mr Birrer: I think we do.

Senator RICE: Can you take that on notice?

Mr Birrer: I'll take that on notice, yes.

Senator RICE: Can you say what those numbers were in those instances over the last five years? Thank you.

CHAIR: Senator Ruston.

Senator RUSTON: I have a tiny couple of questions on the CDC stuff again.

Ms Skinner: The cashless debit card, yes. I'll get Ms Toze and Mr Thorpe back.

Senator RUSTON: I'm just going back to the question about how many people were in the four cashless debit trial sites who are on the BasicsCard.

Mr Thorpe: For Bundaberg and Hervey Bay, 22 enhanced income management—

Senator RUSTON: No, my question was on the BasicsCard or non-enhanced income management. Ms Toze said that she was expecting that these numbers would increase because people who were on the BasicsCard would transfer onto the enhanced income management SmartCard. I was keen to understand how many people were in these four sites who are on the BasicsCard or non-enhanced income management.

Ms Toze: I thought I took that one on notice, I'm sorry. I've got the broader income management data, and I can break it down by state, but I haven't got it at that location level for the BasicsCard.

Senator RUSTON: Do you think there's anybody in any of these four sites who is on the BasicsCard?

Ms Toze: I actually don't know the answer to that, so I would have to have a look at it.

Ms Skinner: We'll take it on notice, Senator.

Senator RUSTON: On that basis, Ms Toze, what was the basis for your comment, when we were talking about these tiny little numbers of people in the trial sites, that you thought the numbers were going to increase?

Ms Toze: I was talking about the broader enhanced income management program, specifically the legislation that is currently before parliament which provides people who are on income management with the opportunity or choice to move to enhanced income management and have that contemporary card offer. So I was talking more broadly.

Ms Skinner: You've asked us a question around the product-level blocking as it goes to small cohorts of people and the relative cost of that, and we'll take that on notice, Senator, to see if we can unpack that in terms of the costs associated with managing particular merchants in small sites where there are small cohorts of people.

Senator RUSTON: It's not just the small sites; it's around where there are small cohorts.

Ms Skinner: Small cohorts, sorry, yes—not small sites.

Senator RUSTON: I'm assuming, Ms Toze, without verballing you—you can tell me if I am—that you're referring to the people that are on the BasicsCard at the moment in the Northern Territory, of which there are a large number, who potentially could move across to the SmartCard—

Ms Toze: And place based, yes.

Senator RUSTON: But you said there were only 22 place based.

Ms Toze: No, I meant the broader income management program including—

Senator RUSTON: Unless I'm misreading what you're saying, you're suggesting there is likely to be an expansion in terms of access to this advanced card.

Ms Toze: No, I'm not suggesting an expansion. I'm just saying that people who currently have a BasicsCard will be provided the choice as to whether they want to move onto enhanced income management and have that contemporary card, subject to the passing of legislation.

Senator RUSTON: I have just one last question to put on notice. Can you please provide me with details of the location of everybody who is on the BasicsCard? When are our questions on notice due, Chair?

CHAIR: It's 14 July 2023 for the return of answers to questions taken on notice.

Senator RUSTON: Could I put a plug in. If you're going to answer the questions and not get them back in time, could you make sure this one does come back in time? Thank you.

CHAIR: I'll just let Mr Griggs know that we expect to be moving to housing very shortly. I know your officials are a little way away. Senator Brockman

Senator BROCKMAN: I'll try and whiz through this as quickly as I can, Chair. The Data and Digital Ministers Meeting—I understand there was one on 24 February. How many have there been in total?

Ms Skinner: I think there have been two. I'll get Mr McHardie to come to the table, but there was one in February and there was one, as I recall, late last year.

Mr Griggs: Note that this portfolio does not carry responsibility for that. That's the Department of Finance.

Senator BROCKMAN: The Department of Finance has carriage of the actual secretariat?

Mr Griggs: Yes, I think the Digital Transformation Agency—

Ms Skinner: The Department of Finance has the secretariat for the Digital and Data Ministers Meeting.

Senator BROCKMAN: No, I wasn't going there. I was more concerned about what action items had come out of that. This is probably more for you, Mr Griggs, or the minister. What action items have been conveyed to you, Ms Skinner, if any?

Ms Skinner: One of the items of work that the Digital and Data Ministers Meeting deals with is things like the Birth of a Child program. We often have the role of being the federal government deliverer of matters that may be discussed at a digital and data ministers meeting. That is our role in that context.

Senator BROCKMAN: If Minister Shorten made a commitment at that meeting, how would that be communicated to you? Would it be through normal processes? How would you find out? If you're not part of the secretariat, do you have a representative at the meeting?

Ms Skinner: Yes, actually: I'm at the meeting with the minister.

Senator BROCKMAN: Oh, you're at the meeting.

Ms Skinner: So I will take my own action, but there is a secretariat that distributes actions like we would expect any meeting to do.

Senator BROCKMAN: Have there been action items flowing to either the minister or to yourselves apart from the one you just spoke about?

Ms Skinner: Yes, there are some action items that we have taken to provide additional information on—how we do servicing, for example, to support people with identity.

Senator BROCKMAN: Could you make those action items available?

Ms Skinner: That's a matter for the Department of Finance. We will take that on notice and see what we can provide in terms of what things that we've done in that context, but the broader responsibility of that committee, the action items and what happens to them is with the Department of Finance.

Senator BROCKMAN: Have you been providing or is it the responsibility of the department to provide briefing materials to the minister for those meetings?

Ms Skinner: We would generally provide the briefing materials to support the Minister for Government Services if he attends that meeting.

Senator BROCKMAN: So you would have provided him with two briefs or more?

Ms Skinner: Yes, where we've provided information about any of the items that relate to the work that we've done, we've provided the minister with a brief.

Senator BROCKMAN: Can I ask for the numbers of each brief on notice, please?

Ms Skinner: Certainly.

Senator BROCKMAN: Do you maintain a list of services that are uplifted, in the process of being uplifted or considered for uplift but not already uplifted, and does that list have a name?

Ms Skinner: Could you be more specific? Do you mean services that are to be digitised? I don't understand.

Senator BROCKMAN: We talked about uplifting yesterday—admittedly not in your particular portfolio space. Mr Griggs is looking like he might be about to say something.

Mr Griggs: I am just trying to clarify. Are you talking about ICT systems? I think that's the point Ms Skinner is trying to make. Is that what you're talking about in terms of uplift?

Senator BROCKMAN: Yes, that is what I'm talking about.

Ms Skinner: Uplift comes in lots of forms. We will replace our hardware components of our system—

Senator BROCKMAN: Do you keep a master list of projects in that space for uplifting?

Ms Skinner: We have a master list of projects that are involved in creating new products and services. Some of them may include further uplifting capability into a digital space, but—

Senator BROCKMAN: Is this more of a list of projects?

Ms Skinner: It's more of a list of projects. When Services Australia supports another agency to create a product, that product will try to have an online offering, a face-to-face offering and a telephony offering, so it's a whole package. If we're building a new system like residential aged care, that involves building a new thing and then building the capability and the customer journey around all of those aspects when we build a new big product.

Senator BROCKMAN: In looking forward, the whole point of uplifting is that you are servicing the market, ideally in a better way at a lower cost. That's the goal, I would think.

Ms Skinner: That's right, and most of what we're trying to achieve is to bring those services into the myGov front door so that people only need to go to one place.

Senator BROCKMAN: I'm not saying that other channels are being dropped off, but, in terms of the uplift projects, do you have a consolidated list of what's on the horizon in terms of uplift? Can you provide that on notice?

Ms Skinner: I think we can take a list of our projects and look at which ones would fit the uplift type of capability.

Senator BROCKMAN: Okay. If possible, could you provide the cost versus projected saving for those projects? I assume that would be somewhere?

Ms Skinner: Yes, the benefits realisation would be the way we would characterise that.

Senator BROCKMAN: Can we have that for, say, the last three and the next three financial years? Would that be possible?

Ms Skinner: Yes, but we probably wouldn't be three financial years out in that sense—

Senator BROCKMAN: I'm happy for what is reasonable, but could you have a look at that please?

Ms Skinner: Certainly.

Senator BROCKMAN: I'm trying to go to our priorities and will put the rest on notice. With reference to SQ23-000261, how is the monthly reporting of project status handled by the agency? Are the minister or his office formally advised by way of submission, or is there a regular reporting process?

Ms Smith: We do have a fortnightly reporting process where we go out to our senior project officers, our senior responsible officers across the agency, and ask them for updates on the major projects and programs of work. We don't provide briefing to the office on that; it's an internally managed process which we have with our executive within the agency.

Senator BROCKMAN: Do you have a term of art? Is it called a particular thing?

Ms Smith: It's something sophisticated like our major projects and programs list.

Senator BROCKMAN: Within that, do you evaluate or categorise the health of a project: where projects are at, whether they're behind schedule or ahead of schedule?

Ms Smith: We do.

Senator BROCKMAN: What's the nature of that?

Ms Smith: We have a traditional traffic light report of red, amber or green. That can be for a variety of reasons. It may be because of some of the technology pieces. It may be because of funding. It may be because

we're awaiting legislation or policy guidance. There might be a range of reasons why projects are or aren't on time, and that is compiled as part of our monthly reporting back to the executive.

Senator BROCKMAN: I assume you will have to take this on notice. If you're happy to provide it now, I'm happy too. Could we have a copy of an example of that major projects list on notice, please?

Ms Smith: Yes.

Senator BROCKMAN: Thank you. With reference to SQ23-000264, there's a phrase in that answer: 'outstanding project change request'. Can you explain what you mean by that term?

Ms Smith: I will have a crack and then Mr McHardie might help me. For some of those it may be, as I just mentioned, that some of the project change requests with our project-responsible officers will be awaiting final detail so they can refine the business specifications. If it's a technology bill, they will need to get those specifications from policy partners—the agencies that we work with—to deliver technology on their behalf. Some of that may be because, as I mentioned, they are awaiting finalisation of policy or legislation. Those project change requests may also be that a project has been rescoped or that there is some additional material that in some way may need to be included. The project change request is the process we go through in order to finalise so we are able to then hand over to our technology group internally to complete that piece of work.

Senator BROCKMAN: So an issue or problem has been identified, and this is effectively the pathway to a decision being made as to how—

Ms Smith: There might not necessarily be an issue or problem; it might just be a change to scope and it might be as the business specifications are refined in conversations with policy partners, as I mentioned.

Senator BROCKMAN: Alright. With reference to the Support at Home Program and single assessment workforce project, what policy considerations resulted in the project delay?

Ms Skinner: I think we would have to get Ms Faichney to come to the table. I believe that's in the broader—

Senator BROCKMAN: If that should be in a different spot?

Ms Skinner: No. Ms Faichney will be able to assist us. She'll be able to account whether that's policy or otherwise.

Ms Faichney: The Support at Home Program is led by the Department of Health and Aged Care. You may have seen announcements around the fact that the government has made a decision that the start of the program will be 1 July 2025. As a result, the work we will be doing will have a time frame shift, as Ms Smith just said, a project change request.

Senator BROCKMAN: I will go on to some property questions.

Ms Skinner: Is it related to service centres or general property?

Senator BROCKMAN: The first bit is related to service centres. We may have covered this, actually.

Ms Skinner: We did cover a range of questions with Senator Reynolds.

Senator BROCKMAN: Now I am looking at these, I think they have probably been covered. I think I can ask the rest of those on notice, to be honest. We can ask those on notice. Finally, with reference to SQ 23000283, the family and domestic violence pilot. Does the pilot have a formal name, apart from what I just called it? That's how it has been colloquially known.

Ms Skinner: I think that's what we are calling it. Mr Thorpe can talk to the details of that.

Mr Thorpe: That is the name of the pilot project.

Senator BROCKMAN: Can you talk us through the rationale for the pilot project and what it is trying to achieve?

Mr Thorpe: Absolutely. I'll also bring to the table our general manager, Cathy Toze, who is currently running the pilot. Essentially, this is to improve our approach to supporting customers in family and domestic violence situations. That's the objective of the pilot. You might want to talk about the pilot itself, Cathy.

Ms Toze: Essentially this pilot has been established to expand some work that was already underway in our child support program. It is providing people who contact the agency in relation to child support, and they indicate that they've experienced family and domestic violence, it provides a case management and wraparound support for the individual. The service offer includes social work services as well. They consider the individual's circumstances and make referrals external to the organisation if and when required.

The other important matter that this particular pilot addresses is supporting the customer to make sure they've got their child support arrangements in place and to help them establish their own Medicare card, update all of

their details throughout the different programs in the agency, to offer that further level of protection. It might mean that the person's moved to a different residential address and their address is then not visible to the partner that they've moved away from. It's a three-year pilot. We're evaluating as we go and using the information that we're gleaning to look at future enhancements that we can use to support this group.

Senator BROCKMAN: This came out of the 2021-22 budget?

Ms Toze: Yes, that's right.

Senator BROCKMAN: What was the funding?

Ms Toze: It was \$17 million, I believe, for the agency over three years.

Senator BROCKMAN: What's been done with that funding? Have we got specialist case managers? What does it actually look like on the ground?

Ms Toze: It is actually all staffing funding. We have skilled and experienced APS staff in the child support program who've received specific training on how to support people experiencing family and domestic violence. Those individuals are based around the nation. As I mentioned before, we've also got social workers embedded in that team. So yes, it's a pilot over three years. We're making incremental changes as we progress with the pilot, as well as, as I said, evaluating that case management approach.

Senator BROCKMAN: Do you have ongoing evaluations?

Ms Toze: We have ongoing recording and design sessions, if you like, where we consider the feedback from the teams and the customers and then we look at how we will expand or change the service offering and continually improve as part of that pilot.

Senator BROCKMAN: And that pilot has about one year to run, is that correct?

Ms Toze: Yes.

Senator BROCKMAN: On notice can you let the committee know what the KPIs of the pilot are? What are the metrics for success of the pilot?

Ms Toze: Yes.

Senator BROCKMAN: I'm happy for you to take this on notice as to whether you can provide it or not, and certainly I'm happy for it to be deidentified in every way, but an example of the reporting of the KPIs of the project?

Ms Toze: Yes, Senator, we're happy to do that.

Senator BROCKMAN: Excellent.

Senator RUSTON: I'm sure you've probably answered this, but I just want to confirm with you how many questions on notice from the February estimates were outstanding on the due date, which I think was 31 March 2023.

Ms Skinner: Senator, I think I have been asked that one and taken it on notice. The agency received 347 QONs at the supplementary budget estimates hearing. I don't have how many answers did not arrive at the committee on time.

Senator RUSTON: When do you think you would be able to get that information for me?

Ms Skinner: I would have to find out from our parliamentary area.

Senator RUSTON: Would it be possible for you to get that information back to me tonight? I'm not asking for the outstanding answers. I just need to know the number of those 347 that were taken on notice in February at supplementary estimates that were outstanding at the date.

Ms Skinner: I understand all of them were overdue on the due date.

Senator RUSTON: All of them were overdue? So there were no answers on 31 March to those 347 QONs. Thank you very much.

CHAIR: Thank you to Services Australia for sticking around. We have obviously enjoyed your company. That concludes questions for outcome 1.

Department of Social Services

[15:33]

CHAIR: We will now be moving to outcome 4 and the Department of Social Services. I call officers from housing.

Senator RICE: I have a couple of questions about the National Rental Affordability Scheme. As I understand it, houses in the National Rental Affordability Scheme are owned by a mix of private landlords, community housing providers and universities. What I want to know is a follow-up to a question I asked about what is the expected number of NRAS homes that are going to be withdrawn from the affordable housing market in the near future.

Mr Flavel: You are after NRAS dwellings, and the proportions, that are about to run off in the next few years. Is that the question?

Senator RICE: Yes.

Mr Flavel: Are you happy for me to just read you some numbers?

Senator RICE: That would be great.

Mr Flavel: For 2023, the total number of dwellings where ownership is ceasing is 6,619.

Senator RICE: How many will that leave?

Mr Flavel: That's how many are leaving. I'm giving you the numbers of how many are leaving in each year, because, as you know, with the program ending after 10 years there's a progressive roll-off of the incentives.

Senator RICE: In 2023, there are 6,619 leaving, which will leave how many in the scheme?

Mr Flavel: I might need to get somebody to run the calculator.

Senator RICE: While we wait, Mr Flavel, of the 6,619 who are exiting, is that in the financial year?

Mr Flavel: No, in the calendar year 2023. I've got breakdowns of ownership status—which I think is what you're after—which is CHPs, universities and other.

Senator RICE: And the breakdown of the ownership status of the ones that are remaining as well?

Mr Flavel: No, we won't have the ownership status of the ones remaining. I only have the breakdown of the ones that are ceasing in each year.

Senator RICE: Surely you must know that, though—of the houses that are remaining.

Mr Flavel: Sorry, what was the question?

Senator RICE: You must have the information, somewhere, on the ownership of the remaining houses.

Mr Flavel: We will have it. I just don't have it on the table right here. That's all.

Senator RICE: Will you be able to find it for me shortly? Today?

Mr Flavel: We'll endeavour to get it as quickly as possible.

Senator RICE: Thank you. You were going to continue with the houses that were ceasing.

Mr Flavel: These are ceasing incentives in the calendar year. In 2023, the figure I gave you in total was 6,619. There are two categories for community housing providers. The first is CHP, community housing provider owned, and that's 783. There's a separate category for CHP, community housing provider managed but privately owned, which is 1,624; university is 654; and other, which will be not a university nor a community housing provider, is 3,548.

Senator RICE: Presumably they're private landlords or private investors?

Mr Flavel: Yes. It could be a mix.

Senator RICE: Have you got figures for ongoing years?

Mr Flavel: Yes. I can do 2024, 2025 and 2026, if you're happy for me just to read numbers out.

Senator RICE: Yes.

Mr Flavel: For 2024 the total number of incentives ceasing is 9,178. In those same categories, CHP owned is 927; CHP managed but privately owned is 2,940; university is 1,196; and other is 4,115. For the 2025 calendar year, CHP owned is 878.

Senator RICE: How many altogether?

Mr Flavel: Altogether, it's 3,998; CHP owned is 878; CHP management but privately owned is 710; university is 633; and other is 1,777. In 2026, which is effectively the last year of the program because that's when the last incentives—

Senator RICE: They've all gone by then.

Mr Flavel: Yes. The 2026 total is 4,591; CHP owned, of that total, is 1,118; CHP managed but privately owned is 176; university is 1,484; and other is 1,813.

Senator RICE: Presumably, with those figures, given that the end of 2026 is effectively the end of this scheme, you could add up how many—

Mr Flavel: Yes, you can do that. I just needed someone with a calculator, because it's not on my sheet, but we can do that. The total incentives over those four years is 24,386. By definition, removing each of those numbers in order will give you the number remaining.

Senator RICE: So that 24,386 figure includes—

Mr Flavel: That's the four-year totals that I've given you.

Senator RICE: With 6,619 dropping off of those 24,000 by the end of 2023.

Mr Flavel: Yes.

Mr Griggs: Effectively, what you're saying is that that's the number at the start of this calendar year.

Senator RICE: Yes, so that was at the beginning of 2023. Thanks very much.

CHAIR: Senator Liddle.

Senator LIDDLE: I have some questions about remote housing and housing in the Northern Territory under these arrangements.

Mr Flavel: Senator, generally those questions will actually be for NIAA. We came to the cross-portfolio hearing for Indigenous matters last week in the Finance and Public Administration Committee. There were no questions raised there.

Mr Griggs: We don't control the actual agreements.

Mr Flavel: It's not a DSS question.

Senator LIDDLE: So nothing under Closing the Gap?

Mr Griggs: We have the housing overcrowding target under Closing the Gap.

Senator LIDDLE: What about the \$111 million under remote housing? Not that either? Not either of them?

Mr Flavel: Not the program itself, as Mr Griggs said.

Mr Griggs: That's about \$110 million.

Senator LIDDLE: That's \$111 million and \$323 million, in the Northern Territory only, for remote housing.

Mr Griggs: That's a separate partnership agreement that NIAA manages.

Senator LIDDLE: Thank you.

CHAIR: Senator Ruston.

Senator RUSTON: I'm keen to ask a few questions about the Help to Buy Scheme.

Mr Flavel: That's not us either. That's Treasury.

Senator RUSTON: In the budget papers that come out of Department of Treasury—and I'm sure you're going to tell me it's a Department of Treasury measure—there is a budget measure for homelessness services. It's a one-off payment in 2023-24 of \$67.5 million. Is that the SACS ERO?

Mr Flavel: It's not the ERO. It was an amount that was offered to the states to provide general funding under the National Housing and Homelessness Agreement. So it's not specifically for SACS ERO. As you recall, the SACS ERO funding agreed under the former government was, ultimately, a two-year agreement.

Senator RUSTON: What has happened to that?

Mr Flavel: That funding, essentially, has ceased at the conclusion of the two-year period. The current status of the agreement itself is that the Minister for Housing has offered an additional one-year extension of the NAHA to allow time for further negotiations.

Senator RUSTON: So that's the whole NAHA, and it wrapped up the SACS funding into that one year? It wasn't a separate allocation?

Mr Flavel: The \$67.5 million that was offered goes into the general housing component. As you might recall, under the current NAHA, there were a couple of conditions or components. One was that the states needed to at least match the Commonwealth's contribution for homelessness funding, and that was about \$130 million. Then there was SACS ERO funding separately provided for, with conditionality attached to that in terms of reporting. That will come to a conclusion. The offer of the \$67.5 million is in relation to increased demand for homelessness services, but it is not itself SACS ERO funding.

Senator RUSTON: Where is the SACS ERO funding—supplement or equivalency—for 2023-24 in the budget?

Mr Flavel: Mr Sloan will answer that.

Mr Sloan: As Mr Flavel said, the SACS ERO funding finishes at the end of this financial year—

Senator RUSTON: I get that, and I'm quite sure that the states and territories are not going to let you not pay it next year. So it must be somewhere.

Mr Sloan: There's no SACS ERO funding in the forward estimates. As Mr Flavel said, there's an additional amount of \$67.5 million that has been offered to the states in relation to homelessness services, in light of the census results that came out this year.

Senator RUSTON: Have you had any representations from the states or territories in relation to the fact that that funding was due to cease at the end of the NHHA, given that we have a bit of a time lapse on the NHHA renegotiation? Have the states and territories contacted you in relation to the supplementation of the salaries of their staff in homelessness in relation to this particular measure?

Mr Sloan: Certainly, when the offer went out originally, I think we had almost every state make representations about the SACS funding. Since the offer has been made and included the additional funding for homelessness services, our understanding of the states' position is that they're comfortable with the offer.

Senator RUSTON: So, basically, one swapped the other out. They have the same amount of funding but it just went under a different amount?

Mr Flavel: But different, though, as I said, in the sense that under the offer that has been made it goes into the general housing pool. So it's not relief for homelessness services in recognition but it's actually in the general. Whereas, as you will recall—because, in fact, you wrote to the states under the former arrangements—there were conditions attached to the ERO funding, including additional reporting about which entities were receiving that funding.

Senator RUSTON: Yes.

Mr Flavel: That doesn't exist under the \$67.5 million measure.

Senator RUSTON: Okay. Can you just quickly update the status of the new agreement? Where are we up to?

Mr Flavel: The states are yet to formally agree to that one-year extension. Obviously, that needs to happen first.

Senator RUSTON: Is that due to start on 1 July?

Mr Flavel: It is.

Mr Sloan: The additional year.

Mr Flavel: Yes, sorry, the additional year.

Senator RUSTON: Basically, the NHHA as it exists currently, including the extra SACS ERO, is due to expire in five weeks time and we don't even have an agreement with the states in relation to a year's extension?

Mr Flavel: That's fairly typical. As you will recall, Senator, as a former minister in this area, this actually often gets done quite late in the financial year. Minister Collins, at one of the meetings of the housing ministers—the ministerial council for housing—noted earlier in the year, in May, that the Commonwealth was effectively terminating the existing agreement and then would start work on renegotiating a new agreement.

Mr Sloan: Obviously, after going through budget—and we've just had the budget—the offer to the states needs to take into account everything that's in the budget. Therefore, we're working through that to get the numbers sorted. You may have seen that there was a measure which provided additional indexation funding in the budget. That's also flowing through to the NHHA, therefore we have to make an offer that's going to be the actual amount of money that the government is going to offer to the states. As Mr Flavel said, we have to work through all these things.

Senator RUSTON: One assumes that you'll reach an agreement with the states in relation to that in the next five weeks, so where's the funding in the budget papers?

Mr Flavel: I think that Mr Sloan can assist you.

Mr Sloan: In budget paper No. 3, on page 56.

Senator RUSTON: And how much has been set aside for next year's NHHA, or for the one-year extension of the existing NHHA?

Mr Sloan: That's \$1,707.3 billion.

Mr Flavel: So \$1.7 billion.

Senator RUSTON: Are you just assuming that they're going to agree to it, so you've just provisioned for it?

Mr Sloan: We have no indication at this stage that they won't but, yes, that's our understanding.

Senator RUSTON: I'm sure they will. Mr Flavel, you made the comment about \$130 million for homelessness. Is that the specific amount for homelessness contained annually?

Mr Flavel: Under the current agreement, there's a requirement for the states to at least match the amount that the Commonwealth is notionally allocating for homelessness services.

Senator RUSTON: What is their notional allocation annually for homelessness services?

Mr Flavel: It's around \$130-odd million.

Mr Sloan: In 2023-24 it's \$127.1 million. When you look at the forward estimates—again, where post 2023-24 there will be a process of negotiations—the allocation at this stage is around \$129.8 million, \$132.1 million in 2025-26 and \$134.5 million in 2026-27.

Senator RUSTON: Is that in BP3 too?

Mr Sloan: That won't have that detailed breakdown, no. The totals are just in here.

Senator RUSTON: Are any of the conditions or details of the new negotiation publicly available, or is that just a matter that's happening between the ministers?

Mr Flavel: No. It's an intention to negotiate, so, as you would expect with that getting underway, there are no statements or specificities outlined at this point. Those will all be worked out between housing ministers and, ultimately, treasurers as well over the coming period.

Senator RUSTON: One of the things that I would be particularly interested in, when it is possible, is an outline of the measures that have been put in place to make the states and territories comply with their obligations under the NAHA. As you and I both know, that was always a very tricky thing to do—to understand where the money was being spent. To that end, what is the mechanism at the moment—and is it working?—in relation to understanding how the states and territories match that 130, or 127.1 or whatever it happens to be, per year in terms of the homelessness funding as is required, and understanding not only that they match it but that they're actually spending it on similar services?

Mr Flavel: They report that annually. There is a statement-of-assurance process each year. The states have to provide information both in terms of their compliance with the NAHA and specific details. They do report those details. For the most recent period, states reported spending \$628 million or \$629 million of NAHA funding on homelessness services. In other words, they're only required to spend 130 under the agreement but they actually spend substantially more than that. In addition, they spend around \$995 million of their own funding—that is, from their own budgets—on homelessness services.

Senator RUSTON: I am assuming that, if, for whatever reason, there isn't an agreement struck in relation to the year extension with the states and territories, they've just got to suck up the cost of the provision of these services until such time as they are able to. There is no significant and obvious detrimental effect if the agreement isn't struck by 1 July?

Mr Flavel: By 1 July 2024, do you mean?

Senator RUSTON: No. Didn't you say you had an extension for one year that was looking in place? Even if they don't strike an agreement in 2024, it really falls back on the states in terms of: they will have to provide the services.

Mr Flavel: Sure, yes. That's right.

Senator RUSTON: So there is no other implication of an agreement not being reached in the next five weeks, for the extension of a year?

Mr Flavel: No.

Mr Sloan: No. It's on the same conditions as currently, apart from, as Mr Flavel said, those additional conditions for the SACS ERO funding aren't there anymore, so it's effectively the same conditions as there had been in the previous five years. So it's all rolling over to give time to negotiate a new arrangement.

Senator ASKEW: I have a few questions in relation to women and children fleeing family and domestic violence. What support has the government implemented since the May 2022 election for women and children fleeing family violence in order for them to escape homelessness?

Mr Sloan: In this patch—because obviously in outcome 2, which was on last night, there would have been a lot of discussion around that—we continue to implement the safe places program. Currently we have 14 projects delivering services across most of Australia, in seven of the eight states. So we've continued to deliver those. We expect that all 41 projects will be completed by June 2025. We've also started the process of the safe places inclusion round, which is an additional \$100 million worth of funding for further safe places, targeted towards Indigenous women and children, women and children with disability and CALD women and children. We've been out consulting, through a range of people, on the design of that program, to make sure that it is targeted at supporting those groups.

Senator ASKEW: So when will that—

Mr Sloan: We are near the end of the consultation and we expect to be briefing the minister—sorry. There's a roundtable on 6 June, that the minister will be hosting, with a range of stakeholders. Once that's done, that will almost complete our consultation. Then, from there, we'll brief the minister on grant guidelines, which will be informed by those consultations, with a view to, in August-September, getting the grant opportunity open and giving around two months for people to get back. We'll then have to assess those by late this year, and hopefully early next year we'll be negotiating funding contracts with successful proponents.

Senator ASKEW: Where's the round table on 6 June being held?

Mr Sloan: That's in Canberra.

Senator ASKEW: And who has been invited to participate—what stakeholders?

Mr Sloan: Sorry—we're just—

Senator ASKEW: Even if you could just table a list of who will be invited and who will be attending—

Mr Sloan: We can absolutely table who was invited and who will be attending.

Senator ASKEW: So you've got \$100 million and you've got the grant guidelines. Obviously, you haven't finalised those grant guidelines, but have you got an indication of what the size of the grants is likely to be? Is there going to be a limit on them, or—

Mr Sloan: I don't think there'll be a formal limit, but, again, we haven't got those finalised yet. Obviously, one of the criteria will be value for money. We saw, certainly, in the first round of safe places, that those projects that could bring co-contributions—if everything else was equal, naturally—were good value for money for the Australian government. It's getting that balance between making sure we have as many projects as we can fund, with the funding, versus size. So it is a trade-off.

Senator ASKEW: You said, in your answer to the first question, that 14 projects are underway in seven of the eight states and territories—I'm presuming that's correct?

Mr Sloan: Yes.

Senator ASKEW: Which state or territory does not have one?

Mr Sloan: The NT. We have one delivering services in the ACT, three in New South Wales, four in Queensland, one in South Australia, one in Tasmania, three in Victoria and one in Western Australia.

Senator ASKEW: As a Tasmanian senator, can you tell me the details of the Tasmanian ones?

Mr Sloan: I certainly can. In Tasmania, we have three projects. We have Jireh House, which is two three-bedroom self-contained dwellings. One was purchased, one was renovated and one was constructed. So that's operating; that's offering services today.

Senator ASKEW: I know that one.

Mr Sloan: Then we have Launceston Women's Shelter, which is a construction of four one-bedroom, seven two-bedroom and four three-bedroom self-contained units and associated facilities. We expect that to be operating very, very shortly.

Senator ASKEW: Are those under construction?

Mr Sloan: Yes. We expect them to be offering services, hopefully, by the end of this financial year, but it may slip. Then we have the trustee, for the Salvation Army, and they've got to extend their current accommodation provision by constructing three two-bedroom and three three-bedroom self-contained units, and we're expecting that to be operational later this year. Again, it may slip to very late this year, in December. As we know, construction is a bit difficult at the moment.

Senator ASKEW: So which part of the state are the Salvos' ones in? I know where the other two are.

Mr Griggs: We just need to be a bit careful on location. Just in general terms.

Senator ASKEW: Yes—north, south or regions what I was looking for.

Mr Flavel: I think it's Hobart.

Mr Sloan: Yes, around Hobart.

Senator ASKEW: That would explain why I don't know. How many homeless women and children now have homes due to the initiatives of the Albanese government?

Mr Sloan: Homes?

Senator ASKEW: How many homeless women who have escaped violence now would have access to—

Mr Sloan: Yes. I would caution a bit, because at the end of the day safe places are crisis accommodation. Currently, they've delivered approximately 206 safe places—so a bedroom—and that will assist up to 1,390 women and children experiencing family and domestic violence each year.

Senator ASKEW: Is that 206 that have been created since the last election, or is that in total?

Mr Sloan: That's in safe places.

Mr Flavel: I think the question you asked is: how many now have homes?

Mr Sloan: Sorry; we have new updated figures as of today. There are 221 safe places and up to 1,420 women and children experiencing family and domestic violence who will be helped each year. Again, that's in the safe places in regions.

Senator ASKEW: In crisis. I get that. What is the government doing to support older women who are not financially dependent who may separate later in life? Is there additional support provided to them as well as the safe places? Are there other supports available to them?

Mr Sloan: Under the Housing Australia Future Fund—again, that's in Treasury, so I won't want to go into too much detail—of the 20,000 social houses that are to be built out of that fund, 4,000 are to be allocated to women and children experiencing domestic and family violence and to older women.

Mr Flavel: My understanding—but it is Treasury—is that under the Help to Buy scheme and the Home Guarantee Scheme there have been recent announcements that essentially allow the cohort I think you're talking about, older women who might have divorced, to get easier access to owning their own home through the measures that assist with financing and deposits and the like.

Mr Sloan: Also, out of the HAFF there is a set of money put aside over the first five years that includes what is called acute housing.

Senator ASKEW: Acute housing?

Mr Sloan: Yes, that's what we call it. Of that funding, \$100 million will be put aside for crisis and transitional housing for, again, women and children experiencing family and domestic violence and for older women.

Senator ASKEW: Excellent. The government promised homes for our veterans while in opposition. How many homes have been provided to veterans?

Mr Flavel: As you might recall, one of the elements under the Housing Australia Future Fund is housing in relation to veterans. Given that the HAFF Bill has not passed, that particular measure, which was aimed at providing support to veterans on housing—if you are asking in relation more broadly to veterans, then it's really a matter for the Department of Veterans' Affairs, I think, rather than here in the DSS portfolio.

Mr Sloan: In that acute housing I was talking about, there is \$30 million over the five years to build more housing and fund specialist services for veterans who are experiencing homelessness or are at risk of homelessness.

Senator Ayres: I should say, on that question, it's an important question. What the officials have set out for you is correct: there is an allocation within that HAFF Bill. There was good opportunity to pass that bill a few weeks ago, but it has not proceeded through the Senate, if I can put it as gently as that. But, of course, there are other parts of government, like DVA, that are engaged with that set of issues about providing homes for veterans, and there will be plenty of other opportunities through estimates to monitor the government's progress on those issues.

Senator BROCKMAN: Very restrained, Minister!

Senator ASKEW: Yes, very polite—very courteous.

Senator Ayres: What do you expect?

Senator ASKEW: Ask your questions nicely, and you get nice answers.

CHAIR: Are we inviting another go, Senator Brockman?

Senator BROCKMAN: No, no, that was genuine from me.

CHAIR: I hold aspiration that we might—

Senator BROCKMAN: Absolutely. It's the kinder, gentler committee, Chair.

CHAIR: I remain aspirational on progress through the program. Senator Brockman.

Senator BROCKMAN: I don't think Senator Ruston got to this. Is there a particular component of the \$67.5 million, the transitional funding, for dedicated homelessness services?

Mr Flavel: It's not dedicated. It's in recognition of the increased demand for homelessness services in the states, but there's no allocation within the \$67.5 million.

Senator BROCKMAN: So that sits there until the states come to the table? How is that actually going to be spent—do we know?

Mr Flavel: It will be included in the general housing component of the National Housing and Homelessness Agreement, which is a \$1.7 billion agreement. Essentially, the states will be—I'll choose my words carefully—free to spend it, noting in fact that they continue to note that they require additional funding for homelessness services.

Senator BROCKMAN: So they need to make their contribution, but then they, effectively, get to choose how that money is spent.

Mr Flavel: I'm not sure, when you say that they need to make a contribution—

Senator BROCKMAN: Under the agreement.

Mr Flavel: They currently have to spend \$130-odd million at least. As I indicated earlier, they spend a multiple of that, more like \$500 million or \$600 million. That requirement doesn't change. The \$67.5 million is on top. It goes into the general housing provision under the agreement, but we would expect a lot of that to go into homelessness services because that's where the increased demand is.

Senator BROCKMAN: 'Expect'—but there's no actual requirement.

Mr Flavel: There's no requirement under that agreement. As we said earlier, there are no additional conditions being attached.

Senator BROCKMAN: From the Commonwealth's perspective—and I'm happy to take this on notice over the forward estimates—is there a particular identifiable quantum of money for homelessness-only services, services that just focus on that particular issue?

Mr Flavel: There's the \$130-odd million and then the annual reporting that the states do, where they tell us how much of the overall NHHA they've spent on homelessness services, in addition to amounts they've spent themselves out of their own budgets for homelessness.

Senator BROCKMAN: Where does that \$130 million hit across the forwards?

Mr Flavel: That's each year. That's an annual figure.

Mr Sloan: It's embedded in the NHHA amount that is in Budget Paper No. 3.

Senator BROCKMAN: It's embedded in the NHHA, even though the NHHA hasn't been agreed.

Mr Sloan: It's sitting in the forward estimates, yes.

Senator BROCKMAN: Alright. I will go to table 2.4.1 in the PBS, budgeted expenses for outcome 4. Looking at the profile over the forwards—I'm just going to use rounded numbers—there's \$135 million actual in 2022-23, then \$101 million, \$81 million, \$62 million and \$57 million. Can you talk me through the decrease across the forwards there. Where is that reflected elsewhere? Why are we seeing a decreasing profile across the forwards?

Mr Flavel: A component of that will be in relation to NRAS. I think you heard the figures which I earlier read out to Senator Rice. Given that that program is ending after 10 years, a big component of that decline is the reduction under NRAS. You can see that in the totals for affordable housing in particular, which is where the NRAS sits.

Mr Sloan: As Mr Flavel was saying, for NRAS in 2022-23, we expect—for DSS; there is also an ATO component, because you can get a refundable tax offset—\$75.9 million for 2022-23, \$56.8 million for 2023-24, \$30.2 million for 2024-25 and \$15.1 million in 2025-26. That would be showing that sort of profile. On top of that, we have a bit of lumpiness around Safe Places, depending on when things are built. We pay a milestone to

make sure the program is delivering the dwellings and the services we want, hence there's a bit of lumpiness that shows up in outcome 4.

Senator BROCKMAN: Is there somewhere in the budget papers where that lumpiness would be de-reported, so we're not seeing that declining but a total budget impact? I'm probably not explaining myself well, but I think you understand me.

Mr Flavel: I won't stick my neck out too far, but if you look at statement 5 or 6 in Budget Paper No. 1, there are expenses for the Commonwealth done on a functional basis, and I'm pretty sure there's one for housing. That's relevant because the position that the government took—as the previous government did—was that NRAS would finish, but in its place, spending out of the Housing Australia Future Fund, which is government policy, would be reflected in the forward estimates. You really have to take it on a whole-of-government level rather than just looking at the DSS portfolio budget statements to get an idea of total spending on housing.

Mr Sloan: Just to show the lumpiness around Safe Places, in 2022-23 we expect \$42.6 million—that goes to \$18.1 million in 2023-24 as projects are built and there aren't so many. Then it picks back up in 2025-26 to \$26.9 million as we expect new projects under the Safe Places inclusion round to start hitting those milestones and we start paying more money out.

Senator BROCKMAN: Is that, effectively, the project rounds, or is it more the capacity of the industry?

Mr Sloan: We've got one round that's running and done—when I say 'done', I mean there are no more projects and we're just delivering those 41 projects—

Mr Griggs: The expenditure profile for that is coming off, and then the profile for the inclusion round will come on.

Mr Sloan: Exactly.

Senator BROCKMAN: So you'll see one set of projects falling away and another one—

Mr Sloan: Correct.

Senator BROCKMAN: Could you talk me through what is covered under the administered expenses in programs 4.1, 'Housing and homelessness', and 4.2, 'Affordable housing'? What are the administered expenses consisting of?

Mr Sloan: The bulk of those are the NRAS, as Mr Flavel talked about; Safe Places; and another thing called Hobart City Deal, which is coming to an end this financial year, or is expected to, consisting of around 130 houses in Hobart. They're the big three. There's small social impact investment, but those are the three main programs making up the 4.1 and 4.2 administered funding.

Mr Harvey: Programs 4.1 and 4.2 line up with what we've been talking about: 4.1 is Hobart City Deal and Safe Places, and 4.2 is NRAS. You can see it all in that table.

Senator BROCKMAN: NRAS falls under affordable housing, Safe Places and Hobart City Deal fall under housing and homelessness, and the smaller social impact projects—

Mr Sloan: We'd also have a little bit for the Indigenous policy partnership, which we got in the October budget, and the National Housing and Homelessness Plan.

Mr Harvey: But you'll find most of 4.1 is Safe Places.

Mr Sloan: Correct.

CHAIR: That concludes questions for outcome 4, housing, so those officials are free to depart. We will be returning after the break, when we will turn to the NDIA and the NDIS Quality and Safeguards Commission.

Proceedings suspended from 16:14 to 16:28

NDIS Quality and Safeguards Commission

National Disability Insurance Agency

CHAIR: The committee will now resume. Minister, you joined us a little earlier, but I didn't get a chance to welcome you, so I would like to formally welcome Senator the Hon. Tim Ayres, Assistant Minister for Trade and Assistant Minister for Manufacturing, representing the Minister for Social Services. Minister, do you have an opening statement for this section?

Senator Ayres: I do have a short opening statement. Would you like me to do that now?

CHAIR: Yes. Please proceed.

Senator Ayres: The National Disability Insurance Scheme is here to stay. The government is committed to reforms that ensure that there will always be a scheme that puts the interests of participants first. The NDIS was

built by Labor during the Rudd and Gillard governments, and Labor will protect it for the long term. The work of protecting the NDIS for Australians with disabilities and their families addresses all aspects of the scheme, making the scheme stronger, fairer and more accessible for participants and putting it on a sustainable cost growth trajectory. Labor started repair of the NDIS nearly a year ago. This Albanese government budget is a down payment on further repair and reform of the scheme after nearly a decade of Liberal neglect and mismanagement.

It is useful, I think, for the purposes of discussion at this estimates, to broadly describe three areas of reform: first, the measures set out in the budget that will strengthen capability, fight fraud and deliver a sustainable growth trajectory; secondly, the historic agreement by national cabinet to set an eight per cent sustainable growth target, the NDIS Financial Sustainability Framework; and thirdly, the NDIS review, which has been commissioned by Minister Shorten to identify further and complementary reforms.

We have inherited a scheme that still works well and is in fact life-changing for hundreds of thousands of Australians who have a disability. But it is an NDIS that has challenges that threaten the quality of the services offered to NDIS participants in the long term, and the government is determined to take responsibility for effective reform, fraud, often poor-quality planning, and an agency that is just now finding its way again under new leadership, including Chair Kurt Fearnley. Reform in these areas will improve services, lift capability and put cost growth on a sustainable trajectory. These are the problem areas that this budget will address. That's good for participants, it's good for the scheme, it's good for the agency, it's good for taxpayers and it's good for Australia's economic productivity and workforce participation performance more broadly.

I imagine that senators will be interested in how we're going to reduce cost growth to safeguard the scheme for future generations of Australians with disability and ensure that every dollar goes to those who need it most. In this budget we've invested in the agency so that they can improve the quality of the planning process, which will ripple through the smooth running of the whole scheme. These reforms include: a \$429½ million investment in the NDIA's workforce capability and systems; a \$73.4 million investment to better support participants to manage their plan within budget; \$63.8 million for the agency to ensure that plans are more transparent and flexible for life events; \$56.4 million to improve the consistency and quality of support of independent living decisions; \$29.3 million to increase the take-up of evidence based supports; and \$24.6 million to work with participants and providers to trial blended payment models to increase incentives for providers to innovate service delivery and improve outcomes.

These agency reforms are delivering and will deliver genuine moderation in the growth of the cost of the scheme. Investing in the NDIS capability and systems will moderate costs by an estimated \$3.1 billion. Strengthening supported independent living decisions will moderate costs by an estimated \$700 million. Better supporting participants to manage their plan within budget will moderate costs by an estimated \$7.2 billion. Supporting equality and effectiveness of services provided to participants will moderate costs by an estimated \$2.5 billion. And ensuring that plans are more transparent and flexible will moderate costs by an estimated \$1.8 billion.

The impact of our budget measures is estimated to moderate growth in spending by \$15.3 billion over the forward estimates. These measures are projected to moderate cost growth by 2026 to 9.2 per cent—and that is not even counting what our efforts to crack down on fraud and compliance, including through the newly created Fraud Fusion Taskforce, will do to moderate cost growth. The agency and the department will be able to go into greater detail on all those measures. It is also before further sustainability reforms are proposed by the independent NDIS review in October. The review will examine the design, operations and sustainability of the NDIS, covering issues outlined in the full scheme bilateral agreements between the Commonwealth and jurisdictions. The review will also examine ways to build a more responsive, supportive and sustainable market and workforce. An overarching objective for both parts of the review will be to put people with disability back at the centre of the NDIS, restoring trust, confidence and pride in the NDIS among them and their families and carers as well as the broader Australian community while ensuring the sustainability of the scheme so that future generations receive the benefit of the NDIS.

While the scheme remains demand driven, the NDIS Financial Sustainability Framework agreed by national cabinet in April will provide an annual growth target of eight per cent in the total costs of the scheme by 1 July 2026, with further moderation of growth as the scheme matures. The eight per cent growth target of the NDIS Sustainability Framework moderates growth by \$622 million in the final year of the forward estimates and \$59 billion over the seven years from 2027-28 to 2033-34. Our early work yields results towards the eight per cent growth target.

Officials from the department will be very happy to answer questions that senators may have in terms of the operation of this very important scheme.

CHAIR: Thank you, Senator Ayres. I would now also like to welcome the Chief Executive Officer of the National Disability Insurance Agency, Ms Rebecca Falkingham PSM, and the NDIS Quality and Safeguards Commissioner, Ms Tracey Mackey. Ms Falkingham, do you wish to make an opening statement?

Ms Falkingham: No I don't, thank you, Chair.

CHAIR: Thank you. Ms Mackey, do you wish to?

Ms Mackey: No thanks.

CHAIR: Thank you very much. I now call on officers from the NDIA and the NDIS Quality and Safeguards Commission and invite questions from senators. I will start the call with Senator Brockman.

Senator BROCKMAN: Chair, I seek some guidance and perhaps an indication from Senator Steele-John. Are we trying to deal with the Quality and Safeguards Commission and then move on?

CHAIR: I have put that to senators, and Senator Steele-John is seeking some advice. If you proceed—

Senator BROCKMAN: I am happy to proceed and deal with our questions to the Quality and Safeguards Commission, and then we'll see how it goes from there.

CHAIR: Apologies, Senator Brockman. Senator Steele-John, you have an update.

Senator STEELE-JOHN: I do have questions for the commission, but not yet. I think we do the agency first.

Senator BROCKMAN: Do we want to do the agency first?

CHAIR: It just means we won't be dismissing the commissioner early. You can go to the commissioner.

Senator BROCKMAN: Okay, I will go to the commissioner.

Senator REYNOLDS: Otherwise the commissioner will be here for a very long time.

Senator BROCKMAN: Commissioner, can we start with the \$142.6 million to enhance the Quality and Safeguards Commission in the budget. This is over a two-year period. Do you have a clear plan on how that additional funding will be used by the commission? How are you going to spend that money? What's it there to achieve?

Ms Mackey: Certainly. We do have a strong plan in place around how we intend to use that additional funding over the next two years. The vast majority of that funding, around \$120.3 million, will be used for additional resources—additional staff in the commission to undertake our core functions and deliver across those core functions consistent with the demand which comes with the number of participants in the NDIS.

Senator BROCKMAN: Can you break down that staffing component at all? Is that back room, administrative type people, people out on the coalface dealing with NDIS participants and providers?

Ms Mackey: The vast majority of the additional staff—we are talking about hundreds of additional staff—will go into what people might call frontline supports, into our regulatory operations division. That's where we have reportable incidents, registration, compliance, investigations. The other large component is into our complaints area, dealing with those complaints coming through the door, particularly around safeguarding and early resolution of those complaints. There is certainly an uplift also in our back of house, because we are very lean in the back of house at the moment and we need to make sure that we have the appropriate supports in place for staff, particularly as we grow the number of staff across the commission. Essentially every team in the commission will have additional staff, but with much greater concentrations of staff in those frontline areas.

Senator BROCKMAN: For your frontline staff—let's keep using that term—how do you track and assess case load for individual staff members, and how much of that case load or case work is outstanding and needs to be addressed by those additional staff?

Ms Mackey: The way we developed the arrangements for the additional funding was to look at what we understand the forecast to be around the demand for the different types of functions that we have, and then also dealing with those matters that we hadn't yet got to, given the limited resourcing that we had in place. We will be dealing with those separately, and they will largely be dealt with by a contractor workforce. The focus of that contractor workforce will be a very short period of time to deal with that. I might ask our complaints commissioner, Ms Leatham, to talk about how we've been dealing with the backlog and how we've changed the way we've been dealing to triage the matters as they've been coming in.

Ms Leatham: We've done a lot of work on reorganising the way that we deal with our complaints. We have done a business process review. Instead of having state and territory based complaints teams, we now have a single national intake process that assesses and triages matters. Anything that might involve urgent safeguarding involving a participant we immediately direct to our safeguarding unit, and they are, generally speaking, responding the same day that they receive that information to quickly activate an urgent response for those

safeguarding matters. We also assess matters that are capable of early resolution—anything that might be able to be resolved with a few telephone calls or some sensible negotiation between a provider and a complainant. We set a target for ourselves to resolve those within two weeks, and we're hoping to achieve around 40 per cent of new complaints coming in that we could resolve in that short time frame.

Overall we've set ourselves a target of resolving 70 per cent of complaints within 90 days. That's obviously an ambitious target that will only be realised when we've fully embedded all the additional staff that we're going to be receiving, but we're seeing some promising results from the triage, safeguarding and early resolution functions.

Senator BROCKMAN: Thank you very much for that. Can you, perhaps on notice, provide the current targets as you just set out—I assume you've probably got some further gradations in there—and where you're tracking against those milestones.

Ms Leathem: Certainly.

Senator BROCKMAN: Is that something you track on a regular basis?

Ms Leathem: We do. We've got reporting regularly.

CHAIR: Senator Brockman, I'm sorry to interrupt. We've just had a request for the minister to table his opening statement. Minister, are you able to do that?

Senator Ayres: Yes. We'll provide it by email to the secretariat.

CHAIR: Thank you very much.

Senator REYNOLDS: Can we get a hard copy to circulate, so we have the facts and figures?

Senator Ayres: I'm sure we can do that too. It might take a few more minutes.

Senator REYNOLDS: That's all right. Thank you.

Senator BROCKMAN: Is there a pathway under this additional funding that all-out—do you have a point where you will catch up, get up to date?

Ms Leathem: We've set ourselves a target of addressing the legacy matters within the next 12 months.

Senator BROCKMAN: So 12 months from today?

Ms Leathem: From 1 July, when we implement.

Ms Mackey: On that front, we've already moved to start to recruit to the new roles. We absolutely want to make sure that we're ready to go as close as possible to 1 July with the additional resources so we can get on with those outstanding matters.

Senator BROCKMAN: Can you talk me through how pricing arrangements and price limits work to prevent gouging and rorting for plan-managed NDIS participants. Is that's moving off your role? I'm told that is your role.

Ms Mackey: I would suggest that Ms Falkingham is best placed to respond to that.

Senator BROCKMAN: We're happy to move to that later on then. Let's try and stick where we are.

Ms Mackey: Can I just mention in relation to price gouging that it's a sharp practice that we would obviously look very closely at in terms of compliance, but price setting sits within the NDIA.

Senator BROCKMAN: How many contracts has the commission published on the AusTender website since 1 July 2022, and what is the total value?

Ms Mackey: Five, and the total value, I believe, is \$927,000. They're all on AusTender.

Senator BROCKMAN: There seems to be a large number of contracts for temporary personnel services.

Ms Mackey: I'm sorry, I've split that into consultancy. For contractors, there is a large number, but it is much lower than what it previously was.

Senator BROCKMAN: That's basically for contract staff?

Ms Mackey: Contract staff—in this financial year through to 31 March, there were 113 labour hire contracts.

Senator BROCKMAN: And total value?

Ms Mackey: The total value of that is \$11.6 million.

Senator BROCKMAN: What's the current number of temporary personnel employed under these sorts of arrangements?

Ms Mackey: The number of contractors is currently 74.

Senator BROCKMAN: Can you just talk us through, roughly, if there is any consistency in the kinds of positions they hold. What are they doing?

Ms Mackey: They are across a range of roles. Where we've been able to direct additional resources—for example, as Ms Leatham was talking about, we've made significant changes in the complaints space, so we've put in place additional temporary staff in the complaints space in the lead-up to securing additional funds for the next financial year. We've also had particular contractors in place to assist us with our first-pass business case around our technology solution. But the number of contractors generally in the commission has reduced substantially.

Senator BROCKMAN: Is there a particular pattern state by state? Is it mainly in your headquarters? Is it spread right throughout the country?

Ms Mackey: There tends to be additional contractors in the eastern states, where there is a tighter employment market in terms of us being able to compete, for example, with public servants in certain jurisdictions.

Senator BROCKMAN: It's interesting that you say that, because the employment market in WA is pretty tight, according to all the businesses I speak to.

Ms Mackey: We tend to attract—particularly in Western Australia, South Australia and Northern Territory, when we put APS jobs out—a volume of applicants. We're seeing that turn now. With the jobs that we've currently got in the market, with the additional funding, we are getting large numbers of applicants across the board. But previously the contractors have been on the eastern seaboard, largely.

Senator BROCKMAN: Interesting. Can I get a state-by-state breakdown on that.

Ms Mackey: I don't have a state-by-state breakdown of contractors.

Senator BROCKMAN: I don't need it today. You could take that on notice.

Ms Mackey: Yes.

Senator BROCKMAN: Management advisory services is also an item that comes up on AusTender. Can you talk us through what's covered by 'management advisory services'. What expertise are you seeking there, and what's it being used to achieve within the organisation?

Ms Mackey: That is the five contracts that I mentioned earlier. We sought particular advice around doing demand modelling as a part of doing advice to government around what resourcing was required in the commission. We've also sought advice around the appropriate operating model, given the national arrangements and the need to use all of the levers that we have as a regulator. Another example would be using a not-for-profit to assist us in doing participant guidance materials.

Senator BROCKMAN: Sorry, you're using a not-for-profit to—

Ms Mackey: An organisation that is, obviously, very expert in representing and understanding the needs of participants and working with participants—they have developed for us a number of communications.

Senator BROCKMAN: Is this a disability advocacy group? Is it that kind of not-for-profit?

Ms Mackey: I wouldn't call them an advocacy group. They're certainly in the disability sector.

Senator BROCKMAN: Can we get a short description—and it might be available somewhere so you can point me to it—of each of those five contracts and what they're seeking to achieve.

Ms Mackey: Sure.

Senator BROCKMAN: There are two contracts for photographic services—\$11,000 and \$88,000. Again, it's probably pretty self-explanatory. What were these for, events?

Ms Mackey: I'd have to take that on notice.

Senator BROCKMAN: Can you get us details of what they were precisely for. There's a final one on contracts: \$580,000 for printing. This was for information material?

Ms Mackey: It will be for information materials and collateral that the commission uses with both participants and providers. There's quite a bit of collateral around information sheets for participants, different checklists and, as I said, collateral encouraging them to talk to the commission and seek advice from the commission. Similarly, for providers, we have packs that we provide them around the practice standards and around the capability framework, for example.

Senator BROCKMAN: Just a couple more from me. A figure of \$46 billion a year has been quoted as the cost to the economy of abuse and maltreatment of Australians with a disability. Have you heard that figure mentioned—I'm not making it up?

Ms Mackey: It would be good if you could reference where that particular figure is coming from.

Senator BROCKMAN: I will try to find it then. I think it came from the royal commission. Senator Steele-John, can you help me?

Senator STEELE-JOHN: What was that?

Senator BROCKMAN: The cost of abuse and maltreatment of Australians with a disability—\$46 billion. My memory is that it came from the royal commission.

Senator STEELE-JOHN: Yes, that sounds about right to me.

Senator BROCKMAN: Is there any way that you could track that? I'm not entirely sure how they came to that figure, but is that something that you would monitor?

Ms Mackey: We certainly don't monitor the cost. We monitor where we have visibility and where that is taking place, and we look at the actions that are in place to respond. We also look proactively at what we can do to try to eliminate and reduce.

Mr Griggs: I think that number is not just confined to the NDIS. That would be a general societal number for the 4½ million.

Senator BROCKMAN: I was just wondering if the role of the commission was to keep an eye on that number—to see whether it is tracking up or tracking down or whether we are making improvements. Obviously you've got a role to look at abuse and neglect within the system.

Mr Griggs: Within the NDIS, yes.

Senator BROCKMAN: I fully accept that. Just finally—and this is something that I'm pretty sure Senator Reynolds is going to go back to with the NDIA—in your role, have you had any dealings with small providers who have had this issue where a particular participant's program exhausts their funding but the small provider has continued providing services in the expectation that, at some point, there would be a way of catching up those funds? Effectively the participant is left with a debt to the small provider, and the small provider has very little way of recovering that debt. Have you encountered this problem? Are you hearing about it?

Ms Mackey: It certainly is not a trend in terms of the complaints that we receive. That is not high on our radar around a trend.

Senator BROCKMAN: Okay, but have you heard about the issue?

Ms Mackey: I wouldn't say it's particularly related to small providers. There are times at which a participant's needs change. Part of what we encourage participants to do is to come to us or to the NDIA at those points in time. We have good arrangements in place around sharing information and being able to act quickly and respond quickly if the circumstances are changing so that we can deal with the problem at hand and not have an issue where the participant is feeling like they're indebted to a provider.

Senator BROCKMAN: It's a negative for both parties. Obviously the participant doesn't want to be in a position of debt, but, for small providers—I single out small providers because they've got less financial capacity than the big providers to carry debts of that sort. Obviously, within all businesses and not-for-profits, there are cost-sharing arrangements. A larger entity is able to perhaps cover the costs over here because they've got such a broad depth of participants that they're servicing, whereas smaller providers, particularly in rural and regional locations, won't necessarily have that depth. So a debt like this will put them in a much more difficult position.

Ms Mackey: I think what we see more commonly is the sharp practice of providers, regardless of size and what they're offering, having service agreements that participants are signed up to without there being full knowledge of what's in that service agreement. We find that that is a growing trend. That is something that we see quite commonly, where we are looking at how the provider is operating as well as what we can do to help build the capacity of participants to be able to enter into these agreements with confidence and an understanding of what's in those agreements. That would be a much more common scenario that we would see.

Senator BROCKMAN: Okay.

Senator REYNOLDS: Just one follow-up. Has the sort of situation come up where someone has got a plan manager, and the plan manager exhausts the plan well before the services are supposed to be provided, and then the service provider has left the person high and dry because it hasn't been well managed?

Ms Mackey: Yes, that is another set of circumstances that does arise.

CHAIR: I'm about to pass the call. We are seeking to move through the questions related to the commission in the hope that we can dismiss the commission staff a little ahead of time. Senator Steele-John?

Senator STEELE-JOHN: I want to start by asking you how participants who are subject to public trustee or guardianship arrangements go about making a complaint to the commission.

Ms Mackey: Anyone can make a complaint to the commission whether or not they're a participant, a family member, a friend, a worker, a guardian or a community visitor. They can also make a complaint anonymously,

and we will give the same weight to that complaint, whether or not we know exactly who's made it or not. We will follow up and look to resolve that complaint.

Senator STEELE-JOHN: Can a person subject to these arrangements make a complaint to the commission anonymously?

Ms Mackey: Yes.

Senator STEELE-JOHN: In both scenarios—the public trustee and if they are subject to guardianship?

Ms Mackey: That's correct.

Senator STEELE-JOHN: In terms of people who are under guardianship arrangements, after the point where the complaint has been made to the commission and the commission is seeking to establish the facts of the situation and to gain information about the contents of a participant's plan, how do they advance the complaint through to completion?

Ms Mackey: I'll ask our complaints commissioner to step you through.

Ms Leatham: It's not unusual that we would have a complaint that did involve a guardianship order. We will take a nuanced approach depending on the parties to the complaint, but it's not unusual for us to have contact with a public guardian, for example, and to seek clarification about the terms of that guardianship, what arrangements they have in place, how they've engaged, for example, with the participant, whether there's supported decision-making in place or whether or not there's involvement with the participant's family. We would explore all of those things. There isn't, if you like, a single way that we would progress a complaint. It would depend very much on the circumstances.

Senator STEELE-JOHN: In establishing the facts of the situation, if a complaint has been made by somebody under guardianship, for instance, and the commission needs to establish information about a person's plan or needs to obtain any other piece of information about that person, is the commission required to seek the permission of the guardian or can they simply get the permission of the complainant in the case?

Ms Leatham: We would perhaps be able to seek information through the NDIA. We have information-sharing arrangements where if we needed to see the plan we'd be able to obtain it without needing the consent of the guardian.

Senator STEELE-JOHN: Is that the same for the public trustee situation?

Ms Leatham: Correct.

Senator STEELE-JOHN: Can you tell me how many complaints relating to a public trustee or guardian have been received by the Quality and Safeguards Commission this financial year?

Ms Leatham: Unfortunately we don't categorise the complaints by virtue of whether they're a public trustee or guardian. We do have categories for the broad types of complaints that we receive. Probably, if you look at our activity report, we have categories about the percentage of complaints received by primary complainant. There's 22 per cent that are received by others, that includes guardians and advocates, for example, but the vast majority—71 per cent—of complaints are by participants or their supporters, so family members.

Senator STEELE-JOHN: Do you track within that 70 per cent cohort the number of people who are participants or other persons, whether they're subject to a guardianship or trustee?

Ms Leatham: No, I'm afraid we don't. Our current system doesn't give us the ability to be able to record whether or not they are subject to a guardianship order. If we went into the individual complaint there would be notes and information that told us that. We just can't extract that from the broad collection of complaints.

Ms Mackey: Our senior practitioner has been looking at supported decision-making very carefully around a range of issues. One of the areas that we have been looking at is particularly around where there's guardianship in place. We don't have a full data set, but we have been looking at what is the information we have at hand to give us a better understanding around supported decision-making, for example.

Senator STEELE-JOHN: In terms of complaints that have been lodged to the commission on behalf of a participant who is subject to a public guardianship order, at the moment the best we can tell is they would fall into the 22 per cent 'other' category that you referred to earlier?

Ms Leatham: That's the people who've lodged the complaint. It's very possible that complaints that involve a guardianship order would be received from other sources. So I don't think I could give you with precision how many would be involved.

Senator STEELE-JOHN: Of the complaints that you've received in this financial year, have any had to be discontinued or investigations relating to complaints discontinued because of the non-participation or non-

willingness to participate in the investigation of a guardian or public trustee? Maybe I'll rephrase that. What I'm trying to ascertain is: of the complaints that you've taken in the last financial year, how many, if any, had to be discontinued because the complaint was made by somebody who is subject to a guardian or public trustee order and, subsequent to the complaint being made, the guardian or trustee, declined to participate in the complaints process on behalf of the participant?

Ms Leathem: I'd have to take that on notice. I'm not aware if there is or, if there are, how many there are.

Senator STEELE-JOHN: Thank you. My last question in this space is: in terms of the legislation that was quoted that you believe enables the commission to handle these complaints regardless of—because what I'm hearing, and correct me if I'm wrong, is that, as far as the commission is concerned, you're able to take and investigate complaints regardless of whether the complainant has the permission of the guardian or public trustee to initiate or participate in that process. Is that correct?

Ms Mackey: That is correct. There are a number of matters. The matters that tend to end up with Sian or myself, with us having visibility, are often the very complex matters, and from time to time those matters do involve a guardian or a trustee. We're well aware that we are receiving complaints in that space, and we are taking action around that space. I would also say I've met with the guardians and equivalence in each state and territory, because there is a need for the commission to have a relationship with those entities and continue to evolve the understanding of the rights of the participant in the NDIS as part of the arrangements that sit with each of those guardians.

Senator STEELE-JOHN: In terms of the legislation that you cite in those conversations, to assert the commission's right to handle these complaints, can you tell us where you believe that authority comes from?

Ms Mackey: The legislation is quite clear that the commission is able to look at complaints around any NDIS participant and any NDIS support and service that is funded. So that's quite central in the legislation. What we don't do is, if the complaint, for example, is about a decision that the guardian or the trustee have made, then we would obviously refer that on.

Senator STEELE-JOHN: That's not in your jurisdiction. Have you had a conversation or is it the commission's view that there is a need for reform in relation to public guardianship or trustee arrangements?

Ms Mackey: There are differing arrangements in place in each jurisdiction—

Senator STEELE-JOHN: Yes, I know.

Ms Mackey: which does make it very difficult for participants to be able to navigate—and often their families and supporters to be able to navigate. The role that particularly guardians play in each jurisdiction is quite different in terms of to what extent they will engage in decision-making around supports and services. As I've said, I've had discussions with each of the jurisdictions around these issues, because from time to time there are real challenges around balancing the person's rights with the way the practice that might have evolved in that jurisdiction around guardianship.

Senator STEELE-JOHN: Thank you, Commissioner. I have one last question. They keep coming to me as I am asking you about this. In the course of your investigation of a complaint of a participant or when a person comes to you and makes a complaint you need to substantiate the claim or need further evidence in relation to the investigation that you may or may not conduct. Does that sometimes require the complainant to acquire and provide to the commission financial information or any other additional corroborating evidence to meet the commission's requirements?

Ms Mackey: In terms of a complaint, that would not necessarily be our usual practice at all. When we move from it being a complaint into taking compliance action then we would seek to talk to the complainant or the participant if they're willing, able and feel safe to do so, for example. We would ask if they have any evidence that would be helpful in substantiating the claims that have been made as part of the compliance issue that we're looking at.

Senator STEELE-JOHN: So that's the moment at which, if there was an agreement from a trustee or a guardian as to the provision of that additional information, that could propose a challenge too?

Ms Leathem: The difference is that with a complaint our focus is on resolution. So we would generally seek the information we need to find a way through to a satisfactory outcome for a participant. If it reveals something that's potentially a breach of the code then it might be escalated to a more formal investigation. We would then have to engage and seek information. We could then invoke a lot of the powers that we have to issue notices on third parties or others to be able to acquire information. So it's a bit of an escalation depending on the seriousness of the matter we're dealing with.

Ms Mackey: I would emphasise that when we're doing an investigation it's not all about what one individual can present. As Sian mentioned, it's about all the information we can gather around the matter to get to a point of determining whether or not there is noncompliance and whether or not we should take additional action.

Senator STEELE-JOHN: Okay. Thank you.

Senator ASKEW: I'm going to continue with the line that Senator Brockman and Senator Reynolds have touched on already with a few examples with regard to participants and exhausting their funding. This one was a situation where a small local provider had advised that they should shorten their hours for a short time so that they could stretch their funding across six months or so, but the provider was not notified that funding had been exhausted and didn't find out until their invoices stopped being paid. They're now looking at a total financial loss of around \$70,000 to \$75,000. What sort of processes are in place to ensure that small providers are aware of the funding available for their services to avoid situations like this? Is there somewhere they can go to find out and confirm that they're going to get paid?

Ms Falkingham: This is more a question for the agency. Do you want me to answer it now or come back to it later?

Senator ASKEW: It crosses over between the two.

Ms Falkingham: It's an issue that is raised with us consistently by both providers and participants. We're very, very clear that we need to do a much better job of providing better information to both providers and participants in relation to where they're at with their plan. So there's a commitment in this year's budget of \$73.4 million that goes to better planning. Within that, our aim is to support NDIS participants to better manage their budgets by working much more closely with them and having stronger check-ins to be able to talk about how they're going against plans so participants are not overutilising their plans.

I should say that there is always the opportunity for change of circumstance for participants. The sooner we know about that the better so we can have that conversation. We want to make sure we're giving better guidance at the planning and implementation stage about how people can manage their plans over the duration of their plan. We also want to help participants find the most appropriate types of supports more quickly to spread across their plans. This is a big investment for us—having more staff available to have those conversations early. We also want to remind providers of their obligations when they know a participant is going to overspend their plan so we can put mitigation in place and start to have a very different conversation.

I'm really conscious of this. I've met with a number of small businesses that have had this happen to them. We really encourage them to come and have a chat to us about what's going on. We know that most of our providers just want to provide continuity of supports for our participants. If you have any of those cases, I'm really happy to follow them up.

Senator ASKEW: There are probably quite a few here that we may get to put on notice. Who's actual liable or responsible? You say that the small-business providers should come to you if they know, but how do they know what's left in somebody's plan?

Ms Falkingham: It depends on what that individual circumstance is as to whether they would have had access to information in the plan or not. Again we just encourage—so we avoid that situation where debts are accruing—the provider to come and have a chat to us or the participant have a chat with us. Every individual circumstance will be quite different in terms of where the liability sits.

Senator ASKEW: You said that you've actually met with some small providers. In those conversations have they put forward any possible suggestions, such as being able to be paid more regularly or something like that, that would actually improve their situation?

Ms Falkingham: With our new computer system, PACE, we are looking at being able to provide much more transparent earlier information right across the system. The \$73 million I should say actually came from participant voice. They were instrumental through the IAC and all of our conversations of the need to do this work better and to have more transparent information earlier. So that's where that investment will go. We will have lots of opportunities for really good co-design around this measure to make sure the voices of small businesses are heard through that process in terms of how we design now the better planning function for the agency.

Senator ASKEW: It would probably be a good thing because a lot of small-business providers seem to be toying with leaving the NDIA services because of that. That's a bit of a worry. A lot of them are getting advice. There's one here that says that lawyers can't assist because they don't want to be suing individuals to recover the funds, so it's a bit of an issue.

The NDIS hotlines and emails haven't been very helpful for some people. Maybe that's another area you could look at as well. We've discovered that even Minister Shorten's office has referred them back, so no-one is actually wanting to take ownership. It seems to be going round in circles. I wonder if that all could be looked at as part of that review.

Ms Falkingham: Sorry, is this on overspending?

Senator ASKEW: The local providers don't know where to go, so they're ringing the NDIS help hotline and sending emails. They feel like they're getting sent in different directions. It sounds like you're on track to do that, which is great.

Ms Falkingham: Yes, we are. Let me follow that up. If that's a gap in terms of communication when people do call the agency, I am really happy to follow that up.

Senator ASKEW: That's very good. That's all on that. Thank you.

CHAIR: If that's all there is for the commissioner, thank you, Commissioner. You're dismissed. Senator Reynolds, would you like to continue with the call as we move to the agency?

Senator REYNOLDS: Yes, thank you. Good evening, Ms Falkingham and Minister. I'd like to start, unsurprisingly, on the budget this year. I want to go to the actuarials in the budget itself.

Ms Falkingham: The scheme actuary is with us today.

Senator REYNOLDS: Is he a permanent actuary?

Ms Falkingham: Yes. He has been appointed by the board as a permanent actuary.

Senator REYNOLDS: I'm not sure whether it should be congratulations or commiserations on being the NDIS scheme actuary, but congratulations nonetheless. Can you just walk me through the latest actuarial data? As I understand it, the 2021 AFSR is the latest published information.

Mr Gifford: Yes, the 2021-22 AFSR.

Senator REYNOLDS: It's not online. Can you just give us what the current baseline and 95th percentile numbers are for this current year and the forward estimates?

Mr Gifford: Can I get clarification on the question please? You're after the baseline—

Senator REYNOLDS: Yes.

Mr Gifford: and the 95th percentile?

Senator REYNOLDS: As in all of them, you have—I have the one before, which is table 2, 'Range of plausible outcomes of scheme expenses'. In 2021-22, I've got the baseline, which again is quite often used in other documents like the quarterly reports. Perhaps you could explain to people what the fifth and 95th percentile projections are, because I just want to go through each of those with you.

Mr Gifford: Certainly. When we undertake the annual financial sustainability report, along with estimating the baseline, which would be the mean expectation of the cost of the scheme, we also model the uncertainty around that, and we project a confidence interval. The fifth percentile is the estimate that there's a five per cent probability of the answer being below, and the 95th percentile is the estimate there's a five per cent probability of the answer being above.

Senator REYNOLDS: For the scheme, can you go through the numbers and what the baseline projection is from 2023-24 through to 2026-27?

Mr Gifford: The baseline for 2023-24 is \$41.1 billion, for 2024-25 it's \$48.1 billion, for 2025-26 it's \$55.2 billion, and for 2026-27 it's \$61 billion.

Senator REYNOLDS: Do you mean 52 or 60?

Mr Gifford: Sorry. For 2026-27 it's \$61 billion. I'd note that those figures in total are additively consistent with the figure quoted in the budget papers in relation to what's happening.

Senator REYNOLDS: Okay. Can you just go through this year's budget figures for the same years?

Mr Gifford: Sorry. Just to clarify, the figures I just quoted were the figures underpinning the 2023-24 budget.

Senator REYNOLDS: Okay. Where do they sit? What I'm looking for is the 2021-22 AFSR figures.

Mr Gifford: The 2023-24 figure was \$38.1 billion.

Senator REYNOLDS: Hang on. We're talking about the baseline figure?

Mr Gifford: Yes.

Senator REYNOLDS: Okay. Can you say that again?

Mr Gifford: The 2023-24 figure was \$38.1 billion, 2024-25 is \$44.1 billion, 2025-26 is \$50.3 billion, and 2026-27 is \$55.5 billion.

Senator REYNOLDS: There's quite a bit of variation there. What were the figures for this budget for this year based on?

Mr Gifford: We undertook analysis that incorporated scheme experience up to November, incorporating numbers of participants, average cost per participant and increase in plan sizes. So we analysed the data up to November, as we do, and we updated our baseline estimates. I'll add that, for the purposes of the budget, we did not update the confidence interval. That's something we would typically do once per year as part of the annual financial sustainability report.

Senator REYNOLDS: Thank you very much for that. Can you also just go through for us the importance of the actuarial data—in this case the AFSR—in an insurance scheme just more generally? Why is it important in an insurance scheme? Not everybody who would be listening to this tonight is familiar with actuarial data.

Mr Gifford: Yes. The NDIS is a demand driven scheme. The numbers of participants and the cost per participant are uncertain. So the actuarial exercise is making assumptions and projecting the cost of the scheme into the future based on those key assumptions: numbers of participants and cost per participant.

Senator REYNOLDS: Okay. Have you got there, or are you able to table for us, the projections for this budget through the forward estimates? Have you got those projections?

Mr Gifford: The figures I just quoted were the projections.

Senator REYNOLDS: Sorry, for the two cost drivers—the number of participants and the cost per participant. What was that based on? Have you got those?

Mr Gifford: I can table those. It might just take a little while to get that information.

Senator REYNOLDS: Could someone who is listening get that, because that's critically important to understanding the current budget figures.

Mr Gifford: Yes.

Senator REYNOLDS: I might come back to that, because that's obviously critical to getting a better understanding of this eight per cent and where the eight per cent has come from. Can you just check that someone is able to get those figures for us.

Mr Gifford: Yes, I can.

Senator REYNOLDS: Thank you very much. I'll come back to that line of questioning once we've got that data. We'll move to the monthly summary reports. I know them very well because I actually initiated these monthly reports. I felt it was really important that anybody who was interested in the NDIS had more transparent data. I recall that at the last estimates you said that they hadn't been issued because you said you had some great technical issues. Can you remind us what those technical issues were that you experienced in generating these reports.

Mr Gifford: The technical issue that we referred to at the previous estimates was to do with the implementation of our new CRM platform. We now have participants' plans on two separate platforms, so when we're generating the data each month there is more involved in the process. That was the issue that we referred to in the previous estimates.

Senator REYNOLDS: That's interesting, because when I asked you questions for the subsequent months that you hadn't released publicly, you had the data available. I remember being a bit bemused at the time by why you had the data available at estimates but you weren't able to generate the monthly reports.

Mr Gifford: The data that wasn't as readily available was the number of participants. We had the payment data available. I think you'll remember the CFO at the time quoted the payment data, but the participant numbers weren't available.

Senator REYNOLDS: So you had technical problems, and the technical problems have been solved. Are you now able to generate both of those numbers?

Mr Gifford: The issue—maybe I shouldn't refer to it as an issue—is that we are still working across two CRM platforms, so it is an exercise for us to bring that data together. We do our best to produce the data on a timely basis.

Senator REYNOLDS: But you're not reporting it anymore. I noticed in the—

Ms Falkingham: If I may, we do report all our data in the quarterly report.

Senator REYNOLDS: I'll come to that. We'll come back to the quarterly report, because that's got a lot of questions in itself. You said:

The NDIS monthly summary report will be included in the NDIS quarterly report from April 2023. It is no longer published as a standalone document.

I understand that at the last estimates in February there were some technical issues. You had it manually, but you couldn't put it together into a single page at the time. I sort of get it, but it doesn't sound that hard. Anyway, I sort of get it. But now you've made a deliberate decision that you'll no longer publish these on a monthly basis. Is that correct?

Ms Falkingham: That's correct.

Senator REYNOLDS: Why?

Ms Falkingham: For a number of factors. The first is that, obviously, we put some advice to our board who ceased the publication of the monthly report for three really critical reasons. The first of those is that we already produce that information. We are a very transparent agency, as you know, where we try and put as much information on the public record to enable participants and the Australian people to look at and interrogate our data. The second, and our Scheme Actuary might speak to this, is the volatility of that data month to month. And the third is a straight resourcing decision, which is the amount of work that went into a monthly report that provided no additional benefit to producing the quarterly report. We've got a lot of priorities in the NDIA, and our priority is not to produce the monthly report when we already produce that information on a quarterly basis.

Senator REYNOLDS: How late was the last quarterly report?

Mr Gifford: The last quarterly report was released, I believe, on 19 May. I could just confirm that. Yes. I believe it was publicly released on 19 May.

Senator REYNOLDS: That was five months in between having a report, because the last one was in December.

Mr Gifford: No. The one prior to that would have been released in February. They're released approximately—

Senator REYNOLDS: Can you go back and check. When it should be and when it actually is are not necessarily the same. Are you saying that you wrote to the board to say you no longer wanted to provide monthly reporting publicly?

Ms Falkingham: Yes.

Senator REYNOLDS: Because it was too hard to produce this data.

Mr Gifford: Maybe the point I would add is that, as Ms Falkingham referred to, by way of example, when we looked at the payment experience in the month of December, it was broadly in line with the projection for that month. The payment experience in the month of January had a variance of about nine or 10 per cent. So we came to the view that the volatility from looking at monthly payments meant that the monthly summary was as much of a distraction as it was actually adding value. We're still publishing the quarterly payment data, four times per year, obviously, in addition to the annual financial sustainability report. We'll be publishing our payment experience, and we felt that struck the right balance between regular provision of information and removing some of that month-to-month volatility.

Senator REYNOLDS: Why was this produced originally? What was the purpose?

Mr Gifford: I wasn't in this role at the time, but my understanding is that it's about transparency and visibility of information related to the scheme around its payments and participant numbers.

Senator REYNOLDS: So it's about transparency and visibility. I think that's absolutely spot on. What is wrong with the public and people who are keenly interested in the NDIS and the figures and the budget actually seeing this? If there is a bit of volatility, so what?

Ms Falkingham: As I understand it, the monthly was a request from you at the time to be produced. If I have a decision to make between putting resources into better tracking outcomes working with participants to look at our investment model and producing a monthly report where the same data is produced in the quarterly report, I'm always going to focus on how we get better participant outcomes.

Senator REYNOLDS: Are you saying that you don't look at data monthly? You don't do a monthly analysis of data?

Ms Falkingham: Of course within our senior leadership team we look at monthly data.

Senator REYNOLDS: So what is wrong with taking that monthly data that you already produce and producing that into a report?

Ms Falkingham: As we've just outlined, there are three reasons why we've made the decision not to produce the report.

Senator REYNOLDS: But you have the data, and you say that you do it for monthly management. So why don't you take that and turn it into that?

Ms Falkingham: Because producing something for internal discussions and producing something for public websites are two very, very different things. We feel very confident—

Senator REYNOLDS: Is the data not correct? You're not confident in your monthly data?

Ms Falkingham: As I said, we have explained the volatility in that monthly data, which is why we are committed to providing the most transparent quarterly report available.

Senator REYNOLDS: Why is volatility an issue for transparency?

Mr Gifford: My answer would be that the monthly summary is produced without commentary, so, in the months where that volatility did exist, the monthly report without that commentary is open to misinterpretation. The quarterly report—

Senator REYNOLDS: Sorry, Mr Gifford, but wouldn't the answer to that simply be to put some commentary in there so people could actually understand the context of it, rather than saying, 'We're not going to do it at all'?

Mr Gifford: As I said earlier, we feel that the quarterly report, which is 150 pages of the body of the report and then several hundred pages of appendices, certainly represents transparency on the part of the agency, with information across a whole range of measures, and, again, we feel that that strikes the right balance between transparency and just efficiency.

CHAIR: Senator Reynolds, it's time for me to move the call. I will come back to you. Senator Steele-John.

Senator REYNOLDS: Chair, can I just clarify that one point? I'll just finish on this.

CHAIR: Yes. It's been more than a 15-minute block again.

Senator REYNOLDS: For people who are interested in the NDIS, isn't it easier to read one page which is really clear than to have you dropping a folder bigger than this, with a quarterly report with several hundred, if not a thousand, pages, and trying to get people to understand what it is? Isn't that more transparent than thinking—how many pages?—many hundreds?

Ms Falkingham: We produce summaries within the quarterly report. We try and make the quarterly report as accessible as possible. We're really focused on the accessibility of the quarterly report so that everyone can read it and engage with it. We're very confident in the information we produce in the quarterly report.

Senator REYNOLDS: Can I ask you to table that correspondence?

CHAIR: Senator Reynolds, you will need to return to this at your next line of questioning. Senator Steele-John, you have the call.

Senator STEELE-JOHN: Senator Ayres, could I ask you a question of clarification in relation to your opening statement?

Senator Ayres: Yes.

Senator STEELE-JOHN: You've listed a number of agency reforms the government intends to undertake. There's a third dot point you provided, which is described as:

Better supporting participants to manage their plan within budget will moderate costs by an estimated \$7.2 billion.

I wonder if you can expand on what you're actually talking about there.

Senator Ayres: The headline principle here is that enabling better management of plans should lead to better outcomes. I might let the CEO deal with the detail.

Ms Falkingham: As I was outlining earlier, the \$73 million is about supporting NDIS participants to better manage their budgets, and subsequently not over-utilise their plans; providing better guidance at the plan implementation stage and ensuring support coordinators are aware of their role in helping NDIS participants manage their planned funding; and helping participants find the most appropriate types of supports more quickly and giving them peace of mind, so that their funding will last the duration of their existing plan—

Senator STEELE-JOHN: I apologise; I just want to make sure we're not wasting time. I understand that that's what's outlined under the \$73.2 million expenditure. In the opening statement, \$7.2 billion in savings is now booked against that measure, which is a large figure.

Mr Gifford: That's right. Out of the \$15.3 billion in total that was announced as part of the budget, \$7.2 billion is the estimate of the savings from that item, yes.

Senator STEELE-JOHN: From the \$73 million allocated to that item, you're predicting a \$7.2 billion saving?

Mr Gifford: The first comment I would make is that the workforce capability saving of \$429 million that the minister referred to—that uplift in workforce capability and capacity will contribute to all the initiatives, at least indirectly. I'd be hesitant to draw a really direct link between the \$70 million and the \$7 billion saving. There is the package of measures. That workforce capability initiative in particular will contribute to each of the initiatives.

Senator STEELE-JOHN: I understand that. I'm just trying to get clarity; the minister has passed this to the agency. Ms Falkingham, you've identified what I think you're referring to here as the better planning element, which is \$73.4 million. If that's what the minister is referring to there, the opening statement says that brings you \$7.2 billion. So you think you can spend \$73 million and save \$7.2 billion?

Mr Gifford: Just to speak briefly to the savings from that initiative: they relate to what is referred to in our quarterly report as inflation within a plan. It's where a plan is overspent, which, as shown in the quarterly report, has been responsible for the majority of the plan inflation that's been observed over the past—

Senator STEELE-JOHN: What do you mean by 'a plan has been overspent'?

Mr Gifford: Sorry, I should have explained that better. Part way through a plan's duration—for example, six months into a plan—more than half the annualised value of the plan would have been expended at that point. When the overspending of plans—or inflation within a plan, as it's referred to—

Senator STEELE-JOHN: So the \$7.2 billion we're talking about here is from people's plans?

Ms Falkingham: No. If I can clarify: we're talking about avoided future growth.

Senator STEELE-JOHN: Yes, but this saving is avoided—I don't want to get lost in the semantics of that, but this projected saving is the product of changes to people's plans.

Mr Gifford: We characterise it as lower future growth in plans.

Senator STEELE-JOHN: I'll take you back to the minister's statement:

Better supporting participants to manage their plan within budget will moderate costs by an estimated \$7.2 billion.

Senator Ayres: Yes, that's right. It is not semantics. As you'll see not only from the figures that were provided in response to questions from Senator Reynolds but also from the papers more broadly, costs rise over time for the scheme. Costs rise across all the categories. What is being achieved here is moderating the cost trajectory, and it is anticipated that this measure—as the auditor said, these measures relate to each other—will have the impact of moderating the cost trajectory of the scheme. That is an important distinction.

Senator STEELE-JOHN: No, I understand that distinction, Minister. But what the scheme actuary just said to us was that these measures will address what you've described as 'plan inflation'; that was the term you used. There's another word for that—that is, when a plan runs out because people don't have the supports they need they go through a plan review, and, as part of the plan review, they are allocated the supports they needed. The value of the plan increases because the participant then gets what they need; somebody at the agency finally read the report and accepted the verdict the participant had been arguing for, and the value of the plan increases. So plan inflation is not always the product of something that shouldn't be occurring. I'm really confused as to why we are attempting to arrest plan inflation when that's also known as 'people getting what they need'.

Ms Falkingham: As you would know, there is a combination. We want to have a better planning process—so, when the initial plan is done with participants, there is better guidance and support provided as to, over the duration of the plan, how that plan needs to be spent and the right supports. We don't want a situation where every single plan is overspent because that means the initial planning process wasn't correct, and, as you know, we want to improve the consistency of our planning process. We should all expect better predictability in relation to the scheme's costs. We have to work much more closely with participants so we don't have a scenario where—particularly when we're moving to supporting participants who want longer-term plans, we have to get to a point where the plans run much more closely to where the original plan was. We accept there will always be changes in circumstances, and we want to support participants when those needs change, and we want to have much more regular conversations to avoid that. That's why we think we absolutely can reduce that growth in the scheme longer term.

Mr Gifford: If I could just add: the projection still allows for growth in plans. What predicting will happen is that where there is a change of circumstances that's absolutely a valid reason for plans to increase or for plan inflation to occur.

Senator STEELE-JOHN: But you've given us nothing in your evidence to support the contention that the inflation you're seeing isn't the result of a change in circumstances. You've just said, 'It's been increasing at a high rate, and we've got to moderate that.'

Ms Falkingham: As you know, there's lots of evidence that goes to plans not being carefully managed. Absolutely, we do not deny there is a change of circumstance—

Senator STEELE-JOHN: With respect, that's not the same thing. I am conscious of the time and I think we'd better move on, otherwise we will spend a lot of time here.

I want to move to the eight per cent target announced by the National Cabinet. When I had the pleasure of talking to Treasury last night, they stated that the agency, including the CEO and the chair, were included in the consultation process as part of the decision. Can you step me through the consultation process that led to the figure and the announcement of the target.

Senator Ayres: That's not something I can answer. It's for the agency.

Ms Falkingham: In the weeks leading up to the National Cabinet meeting of 28 April, the agency ran a range of projected long-term growth scenarios for our minister. However, we were not consulted on the eight per cent growth target in advance of what was being proposed for discussion at National Cabinet.

I understand that it's common practice for statutory agencies not to be consulted on decisions of National Cabinet. We did receive some indications in the days leading up to National Cabinet that the government may be considering a growth target with the state premiers as a means of addressing long-term projected scheme costs. Although the agency wasn't consulted on the eight per cent target, the government does have access to all of our actuarial modelling. And, as I said earlier, we should always expect much greater predictability in the costs of the NDIS. This—

Senator REYNOLDS: So you didn't know—

Senator STEELE-JOHN: Yes—so you weren't consulted?

Senator REYNOLDS: about the eight per cent?

Ms Falkingham: Not until the days leading up to National Cabinet. We weren't consulted on the eight per cent—that's correct.

Senator STEELE-JOHN: Just to be clear: you, as CEO, were not consulted. Were the chair or the board consulted on this figure?

Ms Falkingham: The chair was informed at the same time I was informed about the potential for a national growth target to be considered at National Cabinet. I should say, though, that our modelling does actually support getting to the eight per cent, and I'm happy to talk more about that. But, for clarity, we were not consulted, no.

Senator STEELE-JOHN: You weren't consulted and the chair was not consulted, and yet last night, when I asked the question of Treasury, they said that in fact you were both consulted in this process. How can you explain such a serious discrepancy?

Senator REYNOLDS: And Prime Minister and Cabinet said that you are both consulted as well.

Senator STEELE-JOHN: So we have Prime Minister and Cabinet and Treasury, two of the biggest agencies of the government, saying that you were consulted and yet you were not consulted. And neither was the chair.

Ms Falkingham: I think, for clarity, that we provided much input into the government's budget initiatives, so—

Senator STEELE-JOHN: But that's not the same thing.

Ms Falkingham: But it goes to the point that the government had access to all of our actuarial modelling which looked at what the impact of those initiatives would be on growth in the longer term.

Senator STEELE-JOHN: Well, that's not what Treasury or the Prime Minister's office—

Senator REYNOLDS: Or Finance—

Senator STEELE-JOHN: Or Finance, informed the parliament of. Thank you for clarifying that. I've just realised that rest of my line of questioning is now redundant! It assumed that you were consulted. Is it your understanding that the financial sustainability framework which guides the eight per cent figure for the NDIS does not exist currently?

Ms Falkingham: That's my understanding, Senator.

Senator STEELE-JOHN: Is that the responsibility of the NDIA to develop this framework?

Ms Falkingham: No, it is not.

Senator STEELE-JOHN: Whose responsibility do you understand it to be?

Ms Falkingham: I might defer to my colleague, the secretary.

Mr Griggs: Senator, it would be a jointly developed framework between Treasury, Finance, PM&C, ourselves and of course we would engage the agency. I might just—

Senator STEELE-JOHN: Sorry, could you just say that again?

Mr Griggs: It would be developed jointly between Treasury, Finance, PM&C and ourselves in consultation with the agency. I might just get Ms Shannon, who is new to the committee—she is the acting Deputy Secretary, Disability and Carers in the department—to speak. She has been discussing issues with Treasury.

CHAIR: Welcome, Ms Shannon.

Ms Shannon: Thank you, Chair. Senator, I watched the evidence yesterday from the Treasury hearings. Your question went to whether the framework exists. The framework really builds on the measures in the budget this year. Ms Falkingham has referred to some of them and the chair has referred to some of them—

Senator STEELE-JOHN: Sorry, Ms Shannon, I hate to be pedantic, but how can a framework build on measures that were announced in the budget if the framework doesn't exist?

Ms Shannon: The framework is really the guidance for how the target would be achieved.

Senator STEELE-JOHN: But it doesn't exist?

Ms Shannon: But there are initial steps that have been taken to develop a range of measures in this budget that will reduce the growth in costs of the scheme by the final year of the forward estimates to a figure of just over nine per cent. In the final year of the forward estimates, the target will take effect, or commence. So it's within reach of the nine per cent and the eight per cent then comes in. I think it's probably important to note that, over the course of the forward estimates, to achieve the nine per cent growth by the final year of the forward estimates, no savings for forward compliance have actually been factored into the projections for the scheme. So by the final year, in effect, the elements of the framework which include the eight per cent target and the demand driven nature of the scheme will be further developed, as the Secretary said, with central agencies, the agency itself and, of course, the states and territories, who are key stakeholders in this scheme.

Senator STEELE-JOHN: Who picked eight per cent? Because the NDIA was not consulted. The CEO and the board was not consulted. So who picked 8 per cent?

Ms Skinner: The eight per cent, as I said, is within reach of the figure that would be achieved with the investments in this budget and the savings associated—

Senator STEELE-JOHN: Who said it would be eight per cent?

Ms Skinner: It was a decision of government and of the National Cabinet.

Senator STEELE-JOHN: Who in government made the decision?

Senator Ayres: You've heard the evidence.

Senator STEELE-JOHN: No, I haven't. I've heard obfuscation. I would just like someone to tell me who in government took the decision—

Senator Ayres: I'm not sure the pejorative is very helpful, actually.

Senator STEELE-JOHN: Who took the decision of eight per cent?

Senator Ayres: If you don't interrupt me, I'll answer the question. The National Cabinet took the decision. It is a matter for the National Cabinet process. As you've heard in the evidence, the material that the agency provided in the consultation that the agency had—chair, whoever—with the central agencies, no doubt informed the decision that National Cabinet has taken. The eight per cent is a sustainable cost-growth trajectory target that provides the framework for further development and discussion. As you've heard from the officials, that work over the course of the forwards provides for some moderation of cost growth. It's in the order of, I think, over nine per cent. I think it's 9.2 per cent, from my recollection. That's not eight per cent. It's 9.2 per cent because—

Senator STEELE-JOHN: Senator Ayres—

Senator Ayres: Sorry, let me finish.

CHAIR: Senator Steele-John and Senator Ayres, as I've said through the course of the two days, this process works best when questions are asked and heard respectfully and answers are given and heard respectfully. Senator Ayres has the call. I will return to you for a supplementary question, then I will be seeking to move the call on. We will return to you, Senator Steele John.

Senator Ayres: That 9.2 percent is still a substantial growth, but it does give some confidence that over time as these measures are adopted in accordance with the three victors that are applying to this—one is the budget measures; secondly an eight per cent cost-growth trajectory; and thirdly, of course, the review that will inform further policy development and further work in this area. That's where we are right at this moment.

Senator STEELE-JOHN: You've said National Cabinet picked the figure.

Senator Ayres: Yes.

Senator STEELE-JOHN: So that means the Prime Minister picked the figure

Senator Ayres: It's a matter for the National Cabinet.

Senator STEELE-JOHN: Unless I've misunderstood things, things don't magically appear at the National Cabinet. The Prime Minister would have proposed the figure to National Cabinet?

Senator Ayres: I'm not a participant in the National Cabinet. All I can tell you is that the National Cabinet determined the eight per cent figure. That is an historic position, to get agreement at that level.

Senator URQUHART: Ms Falkingham, I have some questions about a contract entered into by the NDIA with a Salesforce, which has also been asked about at the Joint Committee of Public Accounts and Audit and referred to in a story in *InnovationAus* on 27 April. Are you aware of that?

Ms Falkingham: I am.

Senator URQUHART: What action has the NDIA taken in response to the report by Dr Ian Watt?

Ms Falkingham: Thank you for the question. The NDIA is taking action in response to the findings of Dr Watt's independent review into Services Australia and NDIA's procurement and contracting. While Dr Watt's report noted the task force investigation did not find examples of clear misconduct, Dr Watt said it appeared to be well below the standard expected of members of the APS and suggested that I should consider further options for investigation. We have taken steps now. These steps have included gathering more documentation and evidence, undertaking a preliminary assessment of that documentation and evidence, engaging an independent party to investigate matters identified through work to date, and referring an individual's conduct to the Australian Public Service Commissioner for his consideration. These steps are ongoing. To protect the integrity of these processes it wouldn't be appropriate to talk about individuals at this stage. I can indicate that the individuals involved are NDIA officials.

The agency is also taking steps to implement Dr Watt's recommendations. Thirteen of them the agency is already supporting and implementing and one has already been acquitted. But I might see whether our Chief Operating Officer would like to add to that.

Senator URQUHART: Can I just ask, before we go to Mr Porter, were they internal investigations, or are they independent investigations?

Ms Falkingham: In the first instance Dr Watt asked to look internally at what we could find in addition within the agency. We are now referring that externally. I will ask Mr Porter to speak to that.

Mr Porter: To the external referral, Dr Watt suggested that a number of matters be further considered by the agency. The CEO has mentioned that we undertook preliminary assessments of those matters internally within the agency. As a consequence of those preliminary assessments we determined that it was appropriate to assure ourselves through the use of an independent review. That is out to market at the moment.

Senator URQUHART: Has the NDIA ruled out the possibility that the Watt findings could be subject to a national anticorruption commission referral?

Ms Falkingham: We haven't ruled out anything.

Senator URQUHART: Can you confirm with me who was the responsible minister at the time the Salesforce contract was entered into?

Ms Falkingham: The initial contract was 2019. I would have to take on notice the subsequent contract string period.

Senator URQUHART: Who was the minister in 2019?

Ms Falkingham: I wasn't part of the Commonwealth at that stage, but I understand it was former Minister Robert.

Senator URQUHART: Can you confirm who the responsible minister was at the time the contracts were upwardly revised?

Ms Falkingham: That's what I will have to double-check, because there were some that were much more recent.

Senator REYNOLDS: Can I come back to this eight per cent? Following on from Senator Steele-John's excellent questions, I think you were also making the point that we've heard from the officials that the eight per cent was in the budget, which it is how it came to be put to the National Cabinet. But as I understand it the National Cabinet was first. National Cabinet was actually on 28 April 2023. I asked questions of Prime Minister and Cabinet and also the NDIS taskforce secretariat if they knew, one, about the detail of this financial sustainability framework that was agreed. They seemed to indicate that they didn't know anything about the framework and there was certainly no paper that actually described the framework, except that they would agree to have a framework and that it would be at eight per cent.

I have asked for the National Cabinet documents because, as they confirmed, they are not actually cabinet in confidence—Prime Minister and Cabinet agreed—so we can have a look at what this paper and this framework was supposed to be. Secretary, were you involved in putting any documentation together for the sustainability framework that went to National Cabinet?

Mr Griggs: I had some visibility of the draft paper in the days leading up to National Cabinet.

Senator REYNOLDS: Can you describe the paper?

Mr Griggs: No.

Senator REYNOLDS: Why not?

Mr Griggs: Other than—

Senator REYNOLDS: That you saw it?

Mr Griggs: I saw it.

Senator REYNOLDS: Can you take it on notice and can you table the document that you saw?

Mr Griggs: I'm not tabling a document that isn't mine. It's not mine. It's a National Cabinet document.

Senator REYNOLDS: Did that go anywhere else?

Mr Griggs: You've already approached PM and C. I think that's entirely appropriate.

Senator STEELE-JOHN: So you were consulted?

Mr Griggs: I had visibility.

Senator STEELE-JOHN: That's interesting.

Mr Griggs: I think the point that Ms Falkingham made, which is really important, that everyone seems to have glossed over is that the amount of collaboration in this budget process between DSS, NDIA, Department of Finance, PM and C and Treasury was extraordinary. Certainly, in the two years that I've been in this job, I have never seen that level of collaboration and visibility of data and sharing of documentation. So I think the central agencies were extremely well informed as to what the scheme's actuary's position was, what the CEO's position was, and I think it's a really important point.

Senator REYNOLDS: Okay. Secretary, thank you for making that point, because going round Treasury and Finance my colleagues have ended up with a blank look, and we don't know what actuarial data it was based on and we don't know the assumptions. So if you have seen documentation, or if you have DSS documentation, that actually goes through what actuarial data that was based on—because I started asking Mr Gifford what the latest actuarial data was, and he agreed that the latest publicly available actuarial data was actually the 2021-22 AFSR. Are you saying that there is additional modelling over and above this AFSR that is not yet publicly available?

Mr Griggs: There is data around the impact of the measures that are in the budget, and the actuary was actively involved in that process. In fact, we relied on the agency to provide the projected impact that we've been talking about.

Senator REYNOLDS: Has someone here got that information available tonight? Would you be able to provide that updated actuarial data from the AFSR?

Ms Falkingham: We'll take that on notice, Senator.

Mr Gifford: Senator, the figures that I quoted before when you asked for the baseline underlying the budget—I think that's probably the primary data that both the minister and the secretary are referring to.

Senator REYNOLDS: That is interesting because that data that you quoted is, I'm certain, what is in the last quarterly report, and that's out of date. The data that's in the quarterly report is the baseline projections from the AFSR. Quite clearly, the last budget and this budget are over the AFSR, but that is still quoting very outdated AFSR baseline data. Are you saying that that is the data that was used to inform the budget and to inform this eight per cent for National Cabinet?

Mr Gifford: No, I'm saying that the figures that I quoted were the baseline estimate based on the data up to November—

Senator REYNOLDS: In November of what year?

Mr Gifford: November 2022, so November last year. So that is after the AFSR, which was based on data up to June. That's the first piece of data. The second piece of data, the broad piece, is the modelling that supported the costing of the initiatives, the \$15.3 billion.

Senator REYNOLDS: Actually, can we just go back and let's build this up so that it's clear to colleagues here and others. So the data that you are still using is the 2021-22 baseline data from this report, and you are saying that that then fed into the first Labor budget, presumably, which was in October last year, and then the May budget this year, which is the eight per cent, and now for this sustainability framework that the states and territories have signed up to.

Mr Gifford: No, that's not exactly what I'm saying.

Senator REYNOLDS: Can you clarify that, then, in simple terms. If it's not that data that has fed into that, you must have additional or new actuarial data that hasn't been released yet.

Mr Griggs: Because it's part of the budget process.

Senator Ayres: This is the problem, isn't it? If I put it in layman's terms, which of course are the only terms I'm capable of putting it in, the last time, Senator, that you would have had a look at actuarial data that underpinned decision-making in the scheme was when you were a minister, and the scheme was out of control then, a mess, full of fraud—unmanageable. The data and the work that underpin the decisions that will be made by this government will respond to the reforms that are enacted by the government. Data and modelling aren't something where you've got your hands off the wheel and the thing runs out of control, and you point to it and take no responsibility for it. It's actually about looking at the challenge that we're facing in restoring this scheme to its proper position. That involves putting the scheme on a sustainable growth trajectory—not taking your hands off the wheel, not not taking responsibility, which was the model that the previous government used. It means accepting that it is a demand driven scheme.

Senator REYNOLDS: Chair, can I get this taken off my time please?

CHAIR: Senator Ayres, I think Senator Reynolds had a point of order. I didn't hear it, sorry.

Senator REYNOLDS: On a point of order, it's completely irrelevant and it's not actually answering my question. My question was to the actuary on data.

CHAIR: I can't direct the minister on how to answer his question.

Senator REYNOLDS: But you can draw his attention to the question.

CHAIR: This committee has worked best when questions are asked respectfully and listened to and answers are given and listened to respectfully. That's the ruling I've made consistently over the past two days, and I'll be consistent here. Senator Ayres, you have the call, and then, Senator Reynolds, I'll return to you for a supplementary question. Senator Ayres?

Senator Ayres: There are three areas of activity that the government is engaged in: firstly, there are the reforms that are set out in the budget. Secondly, there is the eight per cent target, which, as I think has been indicated by Senator Steele-John and others, is a target. It's a target. If it's not met, it's not met, but it's a target. In terms of sustainable growth for the scheme and a framework that underpins that, there will be more work that needs to be done. Thirdly, there is the review, which will inform future policy development. It seems to me to be a pretty rational and straightforward way to approach these things that will, over time, shape the parameters that Mr Gifford and his colleagues are working with when they make assessments of the scheme.

Senator REYNOLDS: Mr Gifford, are you now saying that you are not able to or will not provide—maybe this is a question for the CEO—your latest actuarial data that underpins the scheme and the spending growth targets that the government's now banking as a saving? That hasn't been done, I don't think, at least for 10 years.

Wayne Swan did the same thing in the PEFO. We've now got a spending growth target for which the government is refusing to provide the actuarial data that underpins these 'heroic' savings targets. Is that what you're saying, Mr Gifford? You are not going to provide the actuarial data that underpins this eight per cent?

Mr Gifford: I refer to my previous answer where I quoted the updated baseline estimates that were based on data to November. Just to reiterate the point, the 2021-22 AFSR is based on data to June. The updated baseline estimates were based on data to November. So—

Senator REYNOLDS: Are you able to table the updated baseline data to November?

Senator Ayres: The actuary, or any other official, is not able to provide data that's used to drive or inform a cabinet decision.

Senator REYNOLDS: What?

Senator Ayres: I think he tried to indicate earlier that he would take it on notice. We will try and provide you with as much data as possible, but it is constrained by the cabinet processes.

Senator REYNOLDS: Senator Ayres, that is the most ridiculous answer I've heard in here. The NDIS has, for over 10—

Senator Ayres: That is a big stretch. We've all heard some ridiculous answers.

CHAIR: Senator Ayres, I'm sorry; Senator Reynolds is entitled to have her question heard, and then you're entitled to give your answer and be heard. Senator Reynolds?

Senator REYNOLDS: Coming back to Mr Gifford, you've said that, since the 2021-22 data, which was to the end of June, you have now done an update to November, which eventually will be published in the 2022-23 AFSR. Correct?

Mr Gifford: Correct.

Senator REYNOLDS: So it is information that can be released. Is it possible for you to table tonight the November update figures?

Mr Gifford: Just to clarify the question, as I said, I've quoted the updated baseline estimate. When you refer to 'the data', is that the piece of data which is the updated baseline estimate—the figures that I quoted earlier? I quoted the yearly cost estimate figures for the scheme. That was one of the pieces of data that I believe informed the National Cabinet decision.

Senator REYNOLDS: Mr Gifford, I know how these processes work. We've got the sustainability report here. It's actually not a hard question, no matter how much colour and movement there is here. The last AFSR that was published—with the last actuarials publicly available, which include all those assumptions on which the figures are based—is a public document. We don't have the next annual report, the 2022-23 report, but you do have internally the next quarter, which is up to the November figures. Is that correct?

Mr Gifford: That's correct, yes.

Senator REYNOLDS: When you do a full annual report, will that information will be public?

Ms Falkingham: That's correct.

Senator REYNOLDS: But you are choosing now not to release that quarterly data at this stage; is that correct? I would be happy for you to talk to the minister about taking a PII claim about why you can't release that quarterly data.

Mr Griggs: The CEO said she would take it on notice and release what she can. I mean, she has done that.

CHAIR: The witness is entitled under our rules and standing orders to take a question on notice. If that's what you've done, Ms Falkingham, I suggest we are best served by moving to the next line of questioning.

Senator REYNOLDS: Can I just clarify that then because this is critically important for the transparency of this scheme? We have a national cabinet decision that has taken a growth rate of 19 per cent, just on 14 per cent at the moment if you take out CPI, which I understand it is, which is heroically in three years going to drop the growth rate down to eight per cent based on unpublished actuarial AFSR data. You have the data. As I understand, the CEO has now taken it on notice about whether you will provide it. I don't understand what the reluctance is to provide that data? What is the reluctance to provide it today?

CHAIR: I will come to Ms Falkingham in a moment, but it is perfectly within the rights under the standing orders of those at the table to take a question on notice. My listening to what has been occurring here is not that Ms Falkingham has said she is unable or unwilling to provide information; she has taken that information on notice. If I'm incorrect in that, please correct me, but that is perfectly reasonable and is within our standing orders.

Ms Falkingham: That's correct.

Senator REYNOLDS: So you will take on notice about whether you will? Because you didn't say you would provide it but that you will consider whether you will. Presumably, if the answer is no, you'll take a PII claim from that. It is very binary; it is either yes or no, and a PII claim—

CHAIR: Senator Reynolds, we're getting ahead of ourselves at the moment. The witness has indicated that she will take the question on notice. That is an answer allowed within the standing orders. If it is the case that a question is not answered or some other advice can be provided to us, I'm sure that will come back before the committee. But, at this point in time, she has taken a question on notice; that is reasonable.

Senator REYNOLDS: I'm asking a follow-up question. Maybe I will have a look at *Hansard* later. But my understanding was Ms Falkingham didn't take the whole question on notice; she took it on notice as to whether she would be able to provide it, and that is a subtle difference.

Senator Ayres: If I can just put it this way: the officials have offered to look at what it is that you've asked, try and divine from it what it is in a manner of precision, if that is possible. You have more experience at PII claims than perhaps anybody else in this room, so perhaps you have a view about what an approach there might be. We have been much more generous than that and said to you that we will try to provide to you what we can. The agency will try to provide you what they can within the parameters that have been discussed. You can't get better than that.

CHAIR: Senator Reynolds, you do have the call for another question, but, as an indication, I'll be seeking to pass the call over again soon.

Senator REYNOLDS: Just so it's really clear—as the minister seems to be unclear about what I was asking for—you publish a very comprehensive AFSR every year and you only provide it once a year, but you do publish it every year, which is very comprehensive. So it is then very transparent for everybody, including colleagues in this place, public, anybody who is interested in what the actuarial data is that underpins budget projections and then also to compare it against forecasts and actuals. That is a very important document—only once a year. So what I'm asking for is for the next quarter of document of things Mr Gifford has said will be publicly available when you do the next report. So it is a bit difficult for Senator Steele-John, myself and others to make any assessments at estimates of this eight per cent, which you say you weren't consulted on before the number appeared. So, it is only a reasonable request. You have the information available. It will be made public. The minister said it wasn't very clear what I'm looking for. Well, I hope that is very clear. It is the information that you based, as the secretary said, extensive engagement with DSS, with Treasury, with Finance, with Prime Minister and whomever else—so, what was that data that you used? I'm not asking for cabinet papers. I'm asking for the scheme actuarial data, which you could publish quarterly but you don't. Senator Ayres—Minister—there is no secret to this. It is very, very clear, I hope, what we're asking for.

Senator Ayres: As we indicated 10 or 15 minutes ago, the official's taken it on notice.

Senator STEELE-JOHN: The government has committed some \$24.6 million over the next four years to a trial of blended payment models to improve outcomes. What section of the agency was responsible for suggesting the blended payments trial?

Mr Griggs: That will be a DSS lead on that pilot.

Senator STEELE-JOHN: DSS is the lead on that?

Mr Griggs: On that pilot, and Mr Schafer will—

Senator STEELE-JOHN: Just before we go to Mr Schafer, though, for clarity: does that mean that DSS, as lead, proposed the trial?

Mr Griggs: It was part of the overall package, and it was felt that the most appropriate place to lead it was in DSS.

Senator STEELE-JOHN: But did DSS propose it to be included in the package?

Mr Griggs: I can't recall who exactly proposed it. There was a lot of discussion around the package of measures. I can check that, but I—

Senator STEELE-JOHN: Can you check that and come back to us?

Mr Griggs: Yes, I can come back to you on that.

Senator STEELE-JOHN: Thank you. Mr Schafer?

Mr Schafer: I'll echo what the secretary said: we'll have to check, because it was a rather large package, as you know, and I can't recall exactly which element came from where.

Senator STEELE-JOHN: It would have been during the development of the package, of course.

Mr Schafer: Yes.

Senator STEELE-JOHN: When did that take place?

Mr Schafer: During the budget process.

Senator STEELE-JOHN: During the lead-up to the budget process?

Mr Schafer: Over the full length of the budget process.

Senator STEELE-JOHN: Thank you. So, DSS will lead on it. When you say 'lead' in this context, does that mean—well, I'll ask you: what does it mean to 'lead' in this context?

Mr Schafer: We'll lead the broad policy development, but it will be in conjunction with the agency. Both the agency and DSS received funding to deliver the trial.

Senator STEELE-JOHN: The budget states that the purpose is to improve outcomes. Can you share with me what those improved outcomes are, specifically?

Mr Schafer: Broadly speaking, the plan is to trial the move from strictly enrolment payment to a blend of enrolment payment and outcome payment. The plan to get to that position is to actually co-design with both providers and participants. So, it would be premature to say exactly how we're going to do it or exactly what splits we'd be talking about. We're looking broadly in two categories to do that: SLES, the School Leaver Employment Supports program, and supported independent living—specifically, younger people in residential aged care.

Senator STEELE-JOHN: But can you give us any information on the improved outcomes you're seeking from the trial process?

Mr Schafer: As I said, we haven't specifically got a list, for example, of the outcomes we're trying to achieve. We do want to work closely with both providers and participants to understand what exactly we can—

Ms Shannon: Perhaps I could add: obviously the way payments are structured at the moment incentivises certain things. If a provider is receiving a regular ongoing payment, such as in the case of the supported school leaver program, there's perhaps a disincentive for the provider to place the young person in employment in a short period, because they actually forgo the full duration of the payment under that program. So, we're looking to see whether a change in the mix of provider incentives can actually improve the outcome for the participant in that case—whether or not it would actually result in more young people being placed in employment rather than doing the full two years of the program and the provider receiving the full two years of a regular payment. That's really the intent behind it. It's to see whether a change in the mix of incentives can drive better outcomes for participants.

Senator STEELE-JOHN: So, on the one hand, it's not set, because we're co-designing it, but then, on the other hand, it will be SLES focused, and those are some of the goals.

Mr Schafer: They're the two areas we've identified as the most likely trials. We're not set 100 per cent on those two programs. They're the ones we've identified as the leading candidates.

Senator STEELE-JOHN: Alright. We'd all support better outcomes in those spaces. In terms of the process, though, for selecting those two to be proposed as part of the trial, how did that come about?

Mr Schafer: That was a consideration by government through the budget process.

Senator STEELE-JOHN: Did DSS propose those two areas?

Mr Schafer: I'll check, as part of the secretary's earlier comment about the source.

Senator STEELE-JOHN: Mr Griggs, do you know?

Mr Griggs: I understand it was our suggestion that they're the most likely candidates. Rather than trying to do a broad spray trial, it was a targeted trial in a couple of areas.

Senator STEELE-JOHN: Yes. But you could've picked anywhere.

Mr Griggs: As Mr Schafer said, we'll check the detail.

Senator STEELE-JOHN: If you could ID for us precisely why those two areas were proposed as well, that would be very useful. Now, it's my understanding that the NDIA is exploring bulk purchasing of assistive technologies. Is that correct?

Ms Falkingham: That is part of one of the initiatives, but, obviously, we are in the process across all six initiatives of going through a thorough co-design process. I might ask our deputy to come to the table to describe that in more detail. But we're very conscious of the sensitivity around the initiative and we're working through our IAC to explore that in more detail.

Senator STEELE-JOHN: Before we go there, though, I just want to clarify that we've got these six areas of reform, these six project areas, that are being pursued, and you're now working through a co-design process of how to roll them out. Do you see a bit of irony there in seeking to co-design six already determined project focuses?

Ms Falkingham: I think we're really clear that all of our six initiatives have had origins either in IAC or through participants, through initial work of the NDIS review or through all of our consultations right across the agency. So we're very clear that it is participant driven reform. We want to make sure we get the reform right in terms of implementation. That's why it's not unusual both in the design and in the implementation to have thorough co-design processes.

Senator STEELE-JOHN: Except for blended payments, which came from DSS. That's not participant driven; that's DSS.

Ms Shannon: Senator, I think we said we would take on notice the origin of the proposal.

Senator STEELE-JOHN: Yes.

Ms Shannon: It could well have come from a similar origin.

Senator STEELE-JOHN: Or it could well have come from DSS.

Ms Shannon: But our advice to government is obviously informed by our review of feedback from participants and our analysis of how the scheme is operating and how we perceive some of the incentives are operating.

Senator STEELE-JOHN: Okay. Over to the deputy CEO; sorry about that.

Ms McKenzie: Thank you, Senator. The initiative that you refer to has a couple of elements to it. One of those is the creation of an expert advisory panel on assistive technology, which is also a DSS lead. I think you referred specifically in your question, though, to the idea of a provider panel, particularly around capital supports. Essentially, the idea is that there may be opportunities for some particular kinds of capital commodities that may be able to be purchased at bulk rates for a cheaper cost and that that may benefit participants. I think one of the things, as the CEO has said, that's very important is that this is a co-designed measure. I think it is very important to be really clear that we are co-designing well the nature of any supports that may be appropriate in a provider panel. The agency would also have a very strong view—and I have no doubt this is definitely shared by participants—that any provider panel model would always have to ensure that participants are able to exercise choice and control separately as well.

Senator STEELE-JOHN: I've got some questions here, if that's alright, that have come from the community—

Ms McKenzie: Of course.

Senator STEELE-JOHN: particularly on this question. In terms of the scoping work for the potential bulk purchasing of assistive technology, what is the overall scope of what we're looking at? I know you've used the language of 'capital items' and those kinds of things, but can you give us the actual project scope?

Ms McKenzie: Within the budget initiative, there are a number of elements, as I've said. One relates specifically to assistive technology, which I think you referred to. We don't have a scope for how a provider panel could work, and the reason for that is that we need to be able to co-design. It's absolutely appropriate that some assets that are purchased very frequently on an ongoing basis by participants through their plans would be more appropriate to consider starting with, and that's something we'll work through with disability representatives and participants through co-design. I'm not trying to obfuscate, except to say the panel approach is an approach that may be of value and has been of value in other settings outside disability. It may be relevant and useful in the disability context for participants to be able to access particularly bulk purchased items, but it's something that we would have to work through.

Senator STEELE-JOHN: So your team isn't working to a brief even, in terms of starting this work?

Ms McKenzie: In terms of the kinds of products we would be seeking?

Senator STEELE-JOHN: Yes.

Ms McKenzie: No. That's something we would be working through in co-design with disability representatives and community.

Senator STEELE-JOHN: Even the brief itself would be subject to co-design?

Ms McKenzie: Correct.

Senator STEELE-JOHN: Okay. I want to explore a little bit more that principle of choice and control, which is obviously a question that's been raised in the discourse publicly, and the minister has made a couple of references to this too. For instance, wheelchairs have been mentioned as a potential area of focus for any such future bulk purchasing work. Can you give me an idea of how many wheelchairs the NDIA funded in the last year?

Ms McKenzie: I will definitely have to take that on notice.

Senator STEELE-JOHN: Can anybody give me even a rough ballpark? It's a very common piece of assistive technology. You can break it down by manual and powered.

Ms Falkingham: We'll seek to get that information in the break for you.

Senator STEELE-JOHN: That would be good. Could you also provide us with any information the agency currently has around—I'm particularly keen to understand how many of those types of chairs that have been funded are actually of the same type or brand currently. What are we actually, to this point, funding under the scheme? Noting that there may not be a huge plethora of data available on this question, if you can get us even a little bit by the time we come back from the break, that would be really good.

Ms McKenzie: We'll see what we can get for you.

CHAIR: Senator Pratt.

Senator PRATT: I want to look at NDIA resourcing. I can see the total investment in the NDIA in the May budget. How does that funding, though, compare to investment from past budgets in that administration side, where does that funding go and what's the breakdown of additional staff, please?

Ms McKenzie: I'll take on notice how it compares to previous budget investments. I don't have that information to hand. In terms of the investment in the budget—and I'll refer specifically—I think it's \$724 million that goes to the agency. Obviously, there are components as well that go to DSS. We're anticipating that that will support approximately 929 staff to be employed over a period of four years to support the implementation of the initiatives, and that is a kind of spectrum of staff—frontline staff, program implementation staff, ICT staff. We would anticipate a mix of both APS and labour hire.

Senator PRATT: Perhaps you can give us an outline of the purpose of those staff. You've given me the breakdown of those additional staff. What additional staff are allocated to fraud in the area of the NDIA?

Ms McKenzie: I might just call my colleague up, Senator.

Mr Dardo: Thanks for the question. In the recent announcement we were allocated approximately \$48 million. That included the ability to actually increase the workforce associated with doing some of that integrity work, but it also included approximately \$4 million to \$5 million to do a combined business case to seek investment for IT investment. That workforce, depending on the profile we end up landing on, is between 150 to 200 staff. We're probably going to lean towards the 200 staff profile because of the particular types of work we want to do. So that's 200 people each year for two years.

Senator PRATT: Thank you. That's helpful. I've noted there's an inquiry into the capability and culture of the NDIA by the Joint Standing Committee on the NDIS.

Senator STEELE-JOHN: Indeed there is.

Senator PRATT: Will that investment address any of the recommendations of that interim report made by that committee?

Ms Falkingham: We take those recommendations really seriously. That's why we're really excited about this investment. I should say it's the largest investment this agency has ever seen. It will go to a number of those capability gaps that have been identified and those that have been identified within community as well, like having much more specialised planners and having planners with a lived experience of disability. One of the things we get very clearly is the need to have more planners and delegates who understand and can do really good planning with someone who has had the same experience. Equally, one of the things we're really trying to address at the moment is when someone calls the agency trying to get a First Nations planner to support First Nations people with their plans. It's really, really important to us. So there's a range of capabilities, whether it goes to integrity, to IT, to better oversight of some of our existing systems. It really will address all of those recommendations, and we look forward to being able to report to the committee how we're progressing on those.

Senator PRATT: That's terrific news. What does this investment also mean for frontline workers of the agency?

Ms Falkingham: Our frontline workers are tremendous—the passion and the purpose they all have. I'm spending a lot of time at the moment in every office across the country. One of the things that comes up really clearly—we've spoken to the CPSU about some of these issues—is about looking at workload, ensuring our planners have more time to spend on one-on-one planning cases, to be able to do more check-ins, but also to look after their own wellbeing. I'm really conscious of the huge workload our planners and delegates hold. We want to do more to support them, so they can get better outcomes for participants through more quality planning.

Senator PRATT: Good to hear. Job security for those planners and other frontline workers? What does that also mean in turn for participants—both the investment and that continuity of planning and services?

Ms Falkingham: One of the things I hear really clearly from participants is they want to be able to tell their story once and well, and they want to be able to go to the same planner, if they can, across multiple plans. There's something quite extraordinary when you can have the same planner working to deliver goals within a plan. So what we want is a workforce that is based on the most secure principles of work possible. We've had an issue in the agency, as you would be aware, around the use of contracted staff. We're really committed, and, as you know, the government's committed to lifting the cap, and so we're really focused on that. At every office I go into in the country, everyone wants to have certainty. They want to be able to be committed to the participants they're working with in an ongoing way. So this investment will be able to really commence the work of ensuring the best workplace possible for all of our staff.

Senator PRATT: I'm sorry I don't have time for more questions.

CHAIR: No, Senator, you don't. We're right on 6.30, so the committee will now suspend for the tea break—

Senator STEELE-JOHN: Could I just circulate some questions on notice to the agency so that they might answer them during the tea break, so we can keep going. Is that alright?

CHAIR: You're welcome to. I note it's not a long period of time to provide notice, but you're welcome to. I will also table the opening statement from the minister. I believe senators have a copy. The committee will now suspend.

Proceedings suspended from 18:30 to 19:31

CHAIR: The committee will now resume. I'd just like to give an indication to senators at the table, even though there are not many, and to those listening along, that we will be continuing on with questioning of the NDIA, probably up to the tea break.

We will be coming to outcome 3, though, later on this evening. We still require those officials.

We've also had a request from those listening online to remind senators, in particular, to lean into their microphones when talking. There have been some audio challenges, with those listening at home not being able to pick up every question. So I remind senators to do that, and I'll try to remember to remind people if it's dropping out again throughout the course of the evening. Senator Reynolds, you have the call.

Senator REYNOLDS: Thank you. I don't normally get accused of being too soft or too quiet!

CHAIR: I didn't name a particular senator!

Senator REYNOLDS: That's alright. Somebody already whispered in my ear.

Senator Ayres: I don't think it was me, either.

Senator REYNOLDS: I suspect that's right! My first question is: how many compensation reduction amount notices have been issued since 1 July 2022? And can you explain the process and how recipients are selected, based on the compensation-relevant criteria?

Ms Falkingham: Sorry—can you just repeat the first half of the question?

Senator REYNOLDS: It's on the CRAs—the compensation reduction amount notices that are issued.

Ms Falkingham: I'll refer that to Deputy CEO McNaughton.

Mr McNaughton: We have taken 561 recoveries in—so, as you know, there are about three different types that we do. We do a recovery action, we do a compensation reduction amount—which is a future-facing adjustment to someone's NDIS plan—and we do reductions or adjustments based on interplay with the state and territory statutory systems. Would you like me to give you each of those numbers?

Senator REYNOLDS: If you could just run through them. Just to make sure, 561 recoveries—is that in total, or is that since 1 July last year?

Mr McNaughton: That's since we started doing compensation recovery. That's in totality.

Senator REYNOLDS: Do you have the figures by financial year? If not, I'm happy for you to take them on notice.

Mr McNaughton: I'll take those on notice. I'll give you the total.

Senator REYNOLDS: I'll just get the specific breakdown.

Mr McNaughton: That was 561 recovery actions, which are when there's been a settlement for the NDIS participant and we're working with the participant and the compensation provider to recover past amounts.

Senator REYNOLDS: I might just explain, for anyone who's listening: that's for those people who actually get a compensation claim—through a motor vehicle accident scheme or similar—so you don't end up double-dipping. Is that it?

Mr McNaughton: Yes, exactly. It's about making sure that, if someone's received a compensation payout for things that also would be covered by the NDIS, that scheme is paying for those things and the NDIS is paying for the other aspects. Then we have what's called a compensation reduction amount. This is where, into the future, we might offset someone's NDIS plan moving forward because there's been a compensation activity. As part of their compensation, just as an example, they might get five hours a week of personal care. We would reduce their future plan amounts for that. We currently have 1,465 participants with compensation reduction amounts in play.

Senator REYNOLDS: Hang on. Can I just confirm that? You've got 561 of the three categories in total that have been settled and issued?

Mr McNaughton: Yes. We're doing a recovery action.

Senator REYNOLDS: And you've got another 1,465 that are being assessed?

Mr McNaughton: They are ongoing compensation reduction amounts.

Senator REYNOLDS: Okay.

Mr McNaughton: We then have a further 518 participants who are in the dual scheme, so they're in a state or territory scheme as well as the NDIS. We're working with those participants to make any offsets in their plans as well.

Senator REYNOLDS: Okay. So there are the 561, the 1,465 and the 518.

Mr McNaughton: That's correct.

Senator REYNOLDS: Perfect. Thank you very much. Now can we move to this: I just want to get some updated figures if I could, Ms Falkingham. While you haven't issued the monthly summaries for March and April, can I get those figures? I'll just quickly run through them if someone can give them to me.

Ms Falkingham: I can take that on notice for you, Senator. I don't have that with me.

Senator REYNOLDS: You aren't able to tell me how many current participants there are in the scheme this month and last month?

Ms Falkingham: I could tell you the total number of participants, yes, but I don't have a monthly in front of me, if that's what you were asking.

Senator REYNOLDS: Is anybody here tonight with you able to tell me the monthly? How about your actuary?

Ms Falkingham: I think he can share with you participant numbers.

Senator REYNOLDS: Thank you. Can I have the total numbers of participants in the scheme as at the end of March and the end of April, Mr Gifford?

Mr Gifford: The number of participants in the scheme at the end of March, from the quarterly report, was 592,059. The number at the end of April was 597,484.

Senator REYNOLDS: Okay. What's the year-to-date figure at the moment? You're obviously not going to have the May—well, do you have the May figures yet? There's only one day left in the month.

Mr Gifford: We don't have those.

Senator REYNOLDS: Have you got a year-to-date figure?

Mr Gifford: The number at 30 June was 534,655, so the year-to-date figure at the end of April was a little under 63,000. I'm just doing that in my head. Hopefully, that's accurate.

Senator REYNOLDS: How can it have gone backward in a month? Sorry, you said at the end of April—

Mr Gifford: At the end of April it was 597,000. Sorry. I said that at the end of June 2022—so the start of the financial year—it was 534,655. So it's increased by just over 63,000 for the year. I think that was your question.

Senator REYNOLDS: Okay. Have you got, for March and April, the annualised payment per participant?

Mr Gifford: I don't have those to hand right now. I can take that on notice.

Senator REYNOLDS: If you could take that on notice. So what is it currently?

Mr Gifford: So the annualised—

Senator REYNOLDS: There are two annualised figures. What is the current annualised payment per participant, and what is the annualised payment per participant when comparing the same groups year on year?

Mr Gifford: I should be able to get those figures just a little later on in the session. I just don't have those actually right in front of me now, if that's okay.

Senator REYNOLDS: Thank you. Can you tell me, if you've got it for March and April, what the current total year-to-date financial payments are?

Mr Gifford: Like I said, the payment figures, the average cost per participant—I just don't have all of those right to hand, but I should be able to get them for the end of the session.

Senator REYNOLDS: Thank you. I'm somewhat surprised you can't actually say what the figures are at the moment for how much has been paid out.

Mr Gifford: I can give the figure at the end of March for the payments.

Senator REYNOLDS: So you've got the end of March?

Mr Gifford: End of March. At the end of March, it was \$25.655 billion.

Senator REYNOLDS: Isn't that good; we've almost done the monthly summaries for March and April. That wasn't so hard. But, if you can get those figures, that will just about complete the March and some of the April figures. So thank you for that. I've got a few more questions on the monthly summaries. Are there any alternatives to providing more regular updates than the quarterly reports, in a very similar fashion to the data that you've been doing for the last couple of years?

Mr Gifford: I'd reiterate the point about our position that quarterly is sufficiently frequent. I'm certainly open to—

Senator REYNOLDS: Sorry, Mr Gifford, that wasn't my question, because we've traversed that. I'm saying that, if the minister tomorrow said, 'No, bring some more transparency back into this,' are there alternative ways? You can do it the way you have been doing it, but are there alternative ways of getting this information up monthly—some simple information, like you've just given me?

Ms Falkingham: I think we've provided advice that we actually think the quarterly is very transparent and provides all the data.

Senator REYNOLDS: Ms Falkingham, that's not my question. Say the minister today said, 'We've had less transparency, with the monthly report going. That was a mistake. I want to bring it back again,' and he asked you to do it to put more transparency back in the system, could you do it again the way you're currently doing it, or are there alternative platforms or methods or similar data that you could do more readily than you say you can do this currently?

Senator Ayres: I think the problem, Senator, is that you're loading the first part of your question with an assertion that the officials don't accept. It's very difficult for them to answer the question. The assertion is that there is less transparency associated with not providing monthly figures. The officials don't accept that. Nobody at the table accepts that.

Senator REYNOLDS: I take your point, Minister, so I'll rephrase the question.

Senator Ayres: If you can ask the question in a way—I'm just trying to be helpful.

Senator REYNOLDS: So, technically, you could turn this report back on tomorrow. Your preference is not to do it, but you could do it—technically, it's possible?

Ms Falkingham: Technically, it's possible, yes.

Senator REYNOLDS: Thank you.

Senator Ayres: But it would, as was the evidence previously given, involve—

Senator REYNOLDS: We've heard that, thank you, Minister, and that's been—

Senator Ayres: a significant amount more—

Senator REYNOLDS: But it's been done for two years—

Senator Ayres: Just allow me to finish. It would involve—

Senator REYNOLDS: Sorry, I had my question answered.

Senator Ayres: It would involve a significant amount more of resources and a diversion away from the important tasks that are in front of the agency.

Senator REYNOLDS: I think, as you just saw then, Minister, that it took, what, about two minutes to get three of the four answers, which are available.

Senator Ayres: You know that's not right.

Senator REYNOLDS: They just provided the information.

Senator Ayres: You know that's not right.

Senator REYNOLDS: Senator Ayres, they just provided me with the information.

Senator Ayres: It doesn't do you much credit to pursue the question the way that you are, but you keep proceeding.

Senator REYNOLDS: It's technically possible to do it again. You said that you wrote to the board.

Ms Falkingham: No, sorry. I said we provided advice to the board.

Senator REYNOLDS: Okay. Did the board ask for it or did you provide it?

Ms Falkingham: We had ongoing conversations with the board about the regularity and the transparency that the agency has in relation to the provision of data. We provided advice to them in relation to the cessation of the monthly, which they accepted on the basis of how transparent the agency is and the fact that all the data is provided in the quarterly report.

Senator REYNOLDS: So you approached the board, the board discussed it and the board agreed. Now, did you consult anybody else? Did you consult any participants, any DROs or anybody else, saying, 'They're thinking about getting rid of this'? Did you consult anyone else?

Ms Falkingham: I discussed it with a range of different stakeholders in relation to the fact that—

Senator REYNOLDS: Can you take on notice who you consulted with and what their response was?

Ms Falkingham: Sure.

Senator REYNOLDS: Has anybody raised any concerns with you in the sector?

Ms Falkingham: No-one. No-one in the sector has raised a single concern with us because they're very aware of the information in the quarterly.

Senator REYNOLDS: Nobody has raised it? Can you take that on notice? While nobody has raised it with you, can you check that no-one has raised it in your organisation—for the sake of completeness.

Ms Falkingham: I can, but I can say with confidence that no-one has raised that with the agency.

Senator REYNOLDS: I want to go to the quarterly report. I understand the cut-off date for publication of the quarterly report is 42 days after the quarter. Is that correct?

Mr Gifford: I think 42 days is the time frame within which the report is required to be provided to the minister under the legislation—sorry, technically the ministerial council.

Senator REYNOLDS: But doesn't it go to the federal minister first before it goes to the ministerial council? It used to.

Ms Falkingham: Yes, because he obviously presents it to his colleagues—the disability reform ministers.

Senator REYNOLDS: Does the minister get a draft or does he get the final report?

Mr Gifford: He's provided with the final report.

Senator REYNOLDS: Was the last report delivered to the minister within 42 days after the quarter?

Mr Gifford: That's correct.

Senator REYNOLDS: How long was it with the minister's office?

Mr Gifford: I'll have to take that on notice.

Senator REYNOLDS: Secretary, are you able to provide any advice on this? Does it go straight from the NDIA to the minister to the ministerial council?

Mr Gifford: I'll have to take that on notice. It's not something I'm actively involved in.

Senator REYNOLDS: The last quarterly report was very late. What date was it actually tabled or released publicly, put on the internet?

Mr Gifford: I believe it was 19 May.

Senator REYNOLDS: How many days overdue was that?

Mr Gifford: I don't think there's any legislative requirement for when the report is published. I think, as I said, the only requirement is around when it's provided to the ministerial council.

Senator REYNOLDS: What was the delay, then, between the date that you provided it to the minister and when it was released publicly?

Mr Gifford: We'd probably have to take on notice the specifics of the reason for the publication date.

Senator REYNOLDS: When you have reports that are so late—you've got rid of the monthly reports and you've got the quarterly report which you say provides transparency—and the quarterly report is inexplicably held up for over a month, it's not that transparent, is it?

Mr Gifford: I wouldn't characterise it as being held up for a month. I'll note that the legislation was changed in order to extend the date. It was previously being provided a month after the end of the quarter. That was moved to 42 days after the end of the quarter, I think in recognition of the amount of work involved. One way to look at it is that the report was published a week after the date that it was required to be provided to the ministerial council.

Senator REYNOLDS: Can you take on notice what dates the previous quarterly reports were released publicly, say for the last two years.

Mr Gifford: Yes, we can take that on notice.

Senator REYNOLDS: I've gone back and had a look, and this one was particularly late, so you either got it very late to the minister or the minister actually sat on it and didn't release it until well after the budget. It could be a coincidence, but suspicious minds suspect there might be something similar going on. But if you could allay that fear, on notice, that would be very helpful. One more question in relation to the quarterly report, can I take you to the quarterly report into the financial sustainability, which is section 5. On page 112, it's got figure 89.

Mr Gifford: Yes.

Senator REYNOLDS: In light of this being the great transparency document that hopefully is going to be very easy, several hundred pages, for the lay person who is not an actuary to read. If you got to figure 89, 'projected scheme expenses' and you had a look at the total scheme expenses, what would you expect that to tell us, given that this is the latest financial data?

Mr Gifford: What would you expect it to tell us?

Senator REYNOLDS: Say I'm a layperson or someone on the NDIS or one of my colleagues who's trying to have a look at the latest quarterly report. You get to section 5, 'Financial sustainability'. Have a look at the total scheme expenses in figure 89. Can you go through those figures and tell me where those total scheme expenses have come from?

Mr Gifford: They've come from the 2021-22 AFSR that was released on 4 November 2022.

CHAIR: Senator Reynolds, could you ask this question, and then we'll pass the call. We'll come back to you.

Senator REYNOLDS: When I had a look at the AFSR, Mr Gifford, that looked like the baseline figures, but are those the actual budget figures?

Mr Gifford: They're the figures that underpin the October budget.

Senator REYNOLDS: The chair is hurrying me up, so can you have a think about that? What you've got in here—you've confirmed it's correct—is the baseline 2021-22 AFSR figure. Can you go and compare that with, even, the previous October budget? I don't think that actually reflects what was in the October budget.

Mr Gifford: I can take that on notice, yes.

Senator REYNOLDS: It looks a little misleading to me.

CHAIR: Senator Steele-John, you have the call.

Senator STEELE-JOHN: I will start with Ms Shannon, in relation to DSS's role around the independent advisory panel for assistive technology.

Ms Shannon: As Ms McKenzie said earlier, there are two elements to the measure. The measure that DSS is working on is to establish an expert advisory panel to identify evidence based assistive technology and other supports. The idea is to make it easy for participants to get access to evidence based assistance. It could be where there's a new piece of technology, but it very much goes to wanting to make sure that access to assistance is

underpinned by a sound evidence base. The way that the department will implement that, again, will involve co-design with participants and other stakeholders to set up the expert advisory panel.

Senator STEELE-JOHN: When will it be established?

Ms Shannon: I think that we'd be looking to set it up in the new financial year. I might just defer to my colleague on some of the timing if that's okay.

Mr Schafer: We're commencing set-up work now. Officially the measure starts on 1 July. We hope to have that—I can't commit to a start date, but we'll be working actively on it from that period.

Senator STEELE-JOHN: Was this initiative suggested by DSS? It's being led by you, but, in terms of its inclusion in the package of measures, was this a DSS initiative?

Mr Schafer: We were actively involved, but it was part of that package. I'll have to take it on notice with the earlier question.

Senator STEELE-JOHN: If you could, that would be useful. I'll bring you now to the new IT system, PACE. Is it correct that the agency is intending to roll this out nationally from September of this year?

Ms Falkingham: We have released our full evaluation of the PACE system—which, as you know, is coming off our very broken SAP system—to enable a better computer system for all of our staff and to have greater transparency through the system. We are planning to start national rollout from September, but that's based on a whole range of caveats in relation to user testing, in relation to the readiness of the sector, in relation to us feeling confident that we are ready to hit 'go' from September. But it will be a gradual, progressive rollout.

Senator STEELE-JOHN: Can you tell me what the full value of the contract is worth?

Ms Falkingham: There are a series of contracts that make up the build of the new IT system. Some are, obviously, with Salesforce. I can take it on notice if you'd like to see the full breakdown of the contracts.

Senator STEELE-JOHN: Yes, thank you. There was some reporting earlier in the year that the NDIS is paying some \$2 million per month for PACE. Is that correct?

Ms Falkingham: I might ask the deputy CEO to come to the table. Can you let me know where you're sourcing that from?

Senator STEELE-JOHN: I can find it, if it's useful for you, during the course of the conversation.

Ms Falkingham: Hopefully, our chief operating officer will know the reference.

Senator STEELE-JOHN: If that's not correct, you can tell me what the monthly price is, and then we'll absolutely have it.

Mr Porter: I think you might be referring to a media article from earlier in this year from InnovationAus; is that right?

Senator STEELE-JOHN: Yes.

Mr Porter: What I can say is that we have a range of contracts in place with Salesforce that assist us with the rollout of PACE. They don't necessarily specify a monthly amount, but we should take on notice and I'm happy to provide to you the total contract value.

Senator STEELE-JOHN: If you can, that would be really useful. Thank you. And you're right: it was the InnovationAus article titled 'Salesforce software costing the NDIS \$2 million a month' that I was referring to there. Now, I've heard that there are challenges with the search function of the new computer system. Have you had this feedback as part of the trial?

Ms Falkingham: Yes, we have, which is why we're running a really thorough consultation process. That's why we've done the trial in Tasmania. I was fortunate to spend some time with our planners in Tasmania to look at some of the glitches that you normally see in an IT project. We also, obviously, want to work through participant user testing as well. We have a long list, and we will be transparent in that long list of all the improvements that need to be made. We wanted this to be a process where, unlike other IT projects, we're really transparent, through a real trial, through the release of the evaluation of the trial and now, in an ongoing way, through being really clear about what we've got left to fix and what some of the functionality is that we will need into the future. We've had ongoing conversations with the NDIS Review about making sure that PACE will be fit for the future in relation to anything that they might recommend to government that we should be able to implement through PACE.

Senator STEELE-JOHN: Can the PACE system currently being trialled easily locate a person's case file history?

Ms Falkingham: It depends what the transfer of the case file has been—whether that was complete when it was transferred across. But I understand there's no issue with new plans in the scheme. I might check whether the deputy CEO Ms McKenzie has anything to add to that.

Ms McKenzie: If I understand your question, it is: can you search for the case file history of a participant in the scheme within the PACE system?

Senator STEELE-JOHN: Yes.

Ms McKenzie: All new participants and participants who are coming up for their plan review have their profile transferred across to the new system. This is why we're operating the two systems as we're doing the Tasmania test. If it is a participant coming up for plan review, the previous plan is the basis for the new plan, and that's transferred into the new system. All of the participant's profile details are in the new secure system. There are a range of other materials in the SAP CRM system, our existing case management system, so I'd probably need a bit more information. Depending how long the participant has been in the scheme, for example, there might be some information that isn't transferred across, but we still have that data, and we're making sure that that will be transferred into the new system prior to decommissioning.

Senator STEELE-JOHN: You said 'new plans' and 'new participants' there. Can you give us the definitions you're using when you're talking about new plans and new participants.

Ms McKenzie: There are two groups of participants whose profiles are currently in the PACE system in Tasmania. There are participants who, since the commencement of the test in Tasmania in November last year, are new participants in the scheme—

Senator STEELE-JOHN: In Tassie?

Ms McKenzie: That's exactly right—and who have a new plan. So those are new participants with new plans. The second group of participants in Tasmania whose profiles are in PACE are those people whose plans have come up for review or who have had a review since November 2022. They're also in PACE.

Senator STEELE-JOHN: As part of the new system, will participant documents need to be resubmitted, in order to be uploaded to the new system?

Ms McKenzie: No.

Senator STEELE-JOHN: They will be transferred across within the agency?

Ms McKenzie: Correct.

Senator STEELE-JOHN: Thank you; that's useful. I've heard that FOI requests have been denied because the document search function is or was broken so that the agency was not able to identify requested files. I'm wondering how many FOI requests have been denied because the search function is not capable of finding documentation.

Ms Falkingham: I'm not aware of that at all. I will take it on notice and identify that, because if the system can't identify it then we have manual workarounds to find those cases. Leave it with me, and we'll come back to you on notice in relation to that.

Senator STEELE-JOHN: Okay. Also, on notice, I know I've already asked for the total contract value, but could we also have the amount within that contract that has been expended to date, if that would be possible.

Ms Falkingham: Yes—happy to do that.

Senator STEELE-JOHN: Thank you. Ms Falkingham, you spoke just before the dinner break about the importance and the value that the agency finds in the reports handed to it from the Joint Standing Committee on the NDIS. It's great to hear that, as a long-time participant in that standing committee. One of the key recommendations of at least two reports, in my time on that committee, has been that participants be able to see a draft version of their plans before those plans are confirmed. It's been flagged in the past that the previous IT system was a barrier to pulling that off. Previously, in response to those recommendations, the agency have flagged that they're looking into ways to try to resolve that. I'm wondering whether it has been an intention of this new system and this review process to explore ways of fixing that so that participants can see draft plans.

Ms Falkingham: It won't surprise you to know that the NDIS Review is looking at issues of draft plans. As I said earlier, whatever the review recommends, we will ensure the functionality is available within the PACE system. But the entire budget package goes to a point that I know you're very passionate about, which is about how to ensure participants get more data and are much more involved in the planning process. We are trying to bring those two things together, through the IT system but more importantly through the workforce reforms, so

that participants are able to have conversations more directly to understand decisions that have been made by planners and delegates and to have more agency in relation to where that final plan lands.

Senator STEELE-JOHN: But it has in the past been the intention of the agency to look at being able to provide this functionality through an upgraded system. Were draft plans part of the trial in Tassie?

Ms Falkingham: No, they weren't. Keep in mind, Senator, we are replicating the existing computer system in the new PACE model. What we will look at through our rollout of the 3P planning improvement program will be what we get the recommendations from the review in regard to. The new PACE system doesn't change the planning process. What we were really conscious of, and it was a real commitment we gave to the co-chairs, is that we wouldn't start to make those changes until we had the wisdom of their recommendations.

Senator STEELE-JOHN: Can you confirm, though, that the new PACE system will enable the production of draft plans?

Ms McKenzie: The PACE system can be configured to enable draft plans, yes.

Senator STEELE-JOHN: And is it still the goal of the agency to provide that option to participants in the future?

Ms Falkingham: As I said, we're waiting for the review's recommendations. We want much more transparency around how the final plans are built, and that's why, as I said, the commitment is around having whatever functionality in PACE is needed to implement the review's recommendations.

Senator STEELE-JOHN: I do understand that, but it's also slightly frustrating given that the agency has actually had that information in the form of multiple reports over many years. It's something we could've done already, but what I'm hearing from you is that it actually won't be done until the NDIS review process is complete. What are you waiting for?

Ms Falkingham: Once the NDIS review hands down its recommendations, we'll work with our colleagues in DSS around a government response, and obviously with our colleagues in other departments as well. But what we're really gearing up for—and that's why we've looked at the national expansion of PACE from a timing perspective to make that we are able to not have the barrier—is the IT system to implement the review's recommendations. As soon as we get those in October, we will be ready to start the process of the transformation.

Senator STEELE-JOHN: That's good, because you wouldn't buy a garden shed without seeing a draft of it first, yet participants are asked to say yes to plans without seeing the drafts. So I really do hope to see that as a change, since we actually have mountains of recommendations around that one specific thing going back years now. Just sticking with the IT system for a moment, Services Australia shared with the committee—yesterday, I think—that they have developed a capability, in collaboration with the Israeli spyware company Cellebrite, to support them in their compliance investigations. They've also shared that it can interact with NDIA systems. Can you confirm that?

Ms Falkingham: I haven't had a briefing on that. I'm happy to take that on notice. I think the secretary might want to share.

Mr Griggs: I don't think the evidence today was that it can access systems. I think the part of the evidence that you were referring to, Senator, was when Ms Skinner was asked if the technology is used outside of Services Australia and Ms Skinner said that there were shared service arguments with other agencies, and I think she mentioned the NDIA was one.

Senator STEELE-JOHN: Yes.

Mr Griggs: It was about the use of the technology in investigations relating to other agencies.

CHAIR: Senator, I will shortly be seeking to move the call.

Senator STEELE-JOHN: Yes, of course. But the service arrangement that existed with DSS does expand to the NDIA. Is that what you're saying?

Mr Griggs: I'm just saying that I think that was what the evidence was suggesting, rather than access to NDIA systems, which is what I thought you said.

Senator STEELE-JOHN: My exact wording was 'an ability to interact with NDIA systems'. So is it able to interact with—

Mr Griggs: I'm not sure. I was just trying to clarify the evidence as I heard it today.

Senator STEELE-JOHN: Okay. Now, there's not much public information regarding the relationship between the NDIA and Cellebrite beyond what Services Australia has stated. They've confirmed that they share

technology with the NDIA to investigate financial offences against the Commonwealth. Could you elaborate any further on how Cellebrite has been utilised by the NDIA?

Ms Falkingham: I'm not aware that we necessarily have, beyond, obviously, that functionality being available through Services Australia, but I'm happy to take it on notice and come back to you.

Senator STEELE-JOHN: Alright. The reason I flag, quite genuinely, with DSS and the committee is that there have been calls on the government to ban the use of this particular piece of spyware due to alleged welfare fraud, and there's also been a statement, which Australia has signed on to, that I think, arguably, you could present as wanting to limit the use of these particular pieces of spyware. Having flagged that with you, I'll leave it with you and I'll come back to it on notice.

Mr Griggs: I'd suggest that, once the transcript of today comes out, it might be worth having a close look at what Ms Skinner said.

Senator STEELE-JOHN: Yes.

CHAIR: Thank you, Senator. I'm going to pass to Senator Reynolds. I understand that Senator Urquhart has some questions as well.

Senator REYNOLDS: If we come back to the numbers, Mr Gifford, could you remind us. For the October 2022 budget, can you go back in the budget to the forward estimates, the projected costs, for the schemes? Can you do it for the October budget and then for this most recent budget in May?

Mr Gifford: Just to firstly, clarify: the figures in the quarterly report in figure 89 are consistent with those in the Social Services portfolio budget statement, table 2.1.1. I'll just read out the figures for the four years from the October budget: for the 2022-23 financial year, \$33.976 billion; for the 2023-24 year, \$38.133 billion; for the 2024-25 financial year, \$44.116 billion; and, for the 2025-26 year, \$50.344 billion.

Senator REYNOLDS: And for the last budget?

Mr Gifford: The budget figures for the 2022-23 year were \$35.1 billion. For the 2023-24 year, it was \$40 billion. I've got these to the nearest \$100 million, if that's okay.

Senator REYNOLDS: That's fine.

Mr Gifford: For the 2024-25 year, it was \$45.3 billion. For the 2025-26 year, it was \$50.3 billion. This budget obviously went one further year, so, for the 2026-27 year, it was \$54.4 billion.

Senator REYNOLDS: The October 2022 budget was based on the AFSR that is currently released, the 2021-22 AFSR—correct?

Mr Gifford: Correct.

Senator REYNOLDS: Clearly, with these numbers going up in the last budget, that was based on the November figures. Is that right?

Mr Gifford: Yes, based on the November figures. That's correct.

Senator REYNOLDS: So the November 2022 figures revised it upwards, with the numbers that you've given us. But we haven't got those figures publicly yet—correct?

Mr Gifford: The figures that I read out to your earlier question, near the start of the session, were the yearly figures that underpinned the November budget—

Senator REYNOLDS: October, you mean?

Mr Gifford: Sorry. The figures I read out to your earlier question, before the dinner break, were the projections based on the November data that underpinned the May budget.

Senator REYNOLDS: So the November data is what you're now considering whether you can release or whether we have to wait until the next quarterly report comes out to get it all.

Mr Gifford: That's the question we took on notice.

Senator REYNOLDS: Clearly, when you have a look at the variation in those figures between October and the last budget, there must have been some significant changes in the actuarial data to result in such an increase.

Mr Gifford: Yes, as, I think, is set out in the quarterly report. It highlights the variances in the experience of the scheme since the previous AFSR was undertaken. So, yes, those differences—

Senator REYNOLDS: Having a look then at May 2023 and having a look in the previous AFSR, we've got the baseline projections which are in the quarterly report, so the increases from October to May 2023 are starting to hit—they're certainly not meeting the fifth percentile, but they're not quite at the 95th percentile. But they are

certainly hitting that 95th percentile—correct? I haven't got my calculator here, but they're around probably 75 or 80 per cent.

Mr Gifford: They're certainly above what the projection was from the October budget, yes. They're above the middle of the range. That's correct.

Senator REYNOLDS: It was above that middle of the range—somewhere probably between 70 and 80 per cent, by rough calculation, above what is in the current AFSR. Is it safe to assume, then, based on the fact that we don't have that data in front of us yet, that the November actuarial data shows an increase in both of the cost drivers in terms of the participant numbers and the cost per package? That's over and above the previous AFSR and, certainly, the baseline projections.

Mr Gifford: Yes, I think that's a fair assumption.

Senator REYNOLDS: So we'll wait with bated breath, then, to get the November figures. They will actually then start explaining to us the basis on which you've done that. I'll just come back to the figures while you're not doing the monthly summaries so that we can see the actual numbers and not the projected numbers—the ones in the financial sustainability, going back. In this most recent financial sustainability report, you have the baseline figures as the most current but you've just in fact said that they're not trending towards the baseline but trending towards not quite the 95th. So the baseline figures in there are somewhat misleading.

Mr Gifford: The quarterly report is clear that those are the figures that were based on the 30 June report, so—

Senator REYNOLDS: I'll come back to my point again, Mr Gifford. We have 600,000 people in the NDIS and they have a keen interest in this. I'm not an actuary, and it does take a while to read all the clauses, ifs and buts. This is simple to read because it's current and it's really easy to read, whereas if you have to start going into the subclauses of the subclause and actuarial assumptions on page 112, they aren't that easy to find. And, also, it's using baseline data. I know what the baseline data is but, Senator Steele-John, how many people on the NDIS, or their families, would understand what 'baseline' data means on page 112?

CHAIR: Sorry, Senator Reynolds, but Senator Steele-John is not actually one of the witnesses being questioned today, so I'd ask if you could—

Senator REYNOLDS: It's a hypothetical question, and I'm—

CHAIR: I'd be happy to facilitate that in the tea break, but can we stick to the witnesses at the table?

Mr Gifford: Senator, I'd refer to page 6 of the quarterly report. It's entitled 'Scheme financial experience'. I think that's where we would say we've been particularly transparent about what has happened over the course of the financial year and it's consistent with the monthly summary. I would characterise that as, essentially, relatively factual data. It attempts to be relatively transparent, so I would just note that.

Senator REYNOLDS: 'Attempts to'. Okay. Just to be very clear, before I move on to some more questions about the budget: we have non-released actuarial data that has informed, apparently, both the National Cabinet deliberations and the sustainability framework, and also the last budget. Clearly, on the numbers you've given me, it's trending upwards quite significantly from the last AFSR. Currently, it's trending at 70 to 80 per cent and not at the baseline figures which have been used. Is it safe for me to assume that, in the absence of having any of your data, the next AFSR, which has informed the budget and which will inform the eight per cent considerations, is still trending upwards in terms of the two drivers of costs: plan numbers and average cost per plan?

Mr Gifford: I think it has probably trended upwards relative to the June AFSR, the 2021-22 AFSR. I don't think it's safe to assume that it has trended upwards from when we did the November baseline.

Senator REYNOLDS: Which you aren't releasing?

Senator Ayres: Senator, all of the assessments involve the costs of the scheme increasing. I understand the rationale that the agency has advanced for moving the quarterly reports. Many large organisations, complex organisations, do that. It wouldn't matter, though, whether you went to monthly reports or daily reports, or hourly ones. The point here is that the costs of the scheme are projected to increase. That's—

Senator REYNOLDS: I'm very glad you brought that up, Minister. Let me come to some questions on that—

Senator Ayres: whether or not, whichever of these baselines you accept—

Senator REYNOLDS: A point of order, Chair—

CHAIR: Sorry, Senator Ayres—

Senator REYNOLDS: that's not an answer to a question that I asked.

CHAIR: Senator Reynolds, I will call you when it's time to give the point of order. I am clearly coming to you to hear your point of order.

Senator REYNOLDS: Thank you!

CHAIR: Senator Reynolds on a point of order.

Senator REYNOLDS: Thank you very much, Chair, for that—I'm not quite sure what—

CHAIR: Senator Reynolds, what is your point of order?

Senator REYNOLDS: The point of order is relevance. The minister is making a statement, and it's not in relation to any question that I asked.

CHAIR: Senator Reynolds, I am not able to instruct the minister how to answer the question. There is a very broad scope in Senate estimates in that any question can go to appropriations or the budgets of a government agency. There have been extensive preambles in questions asked. The minister is answering your question. As has always been the practice, when he has finished his answer I will come to you for a supplementary. Senator Ayres.

Senator Ayres: Thank you. The point is that there is a government now that has a reform agenda. There were no reforms for a decade, hands off the wheel. Now you've got a government that's got a reform agenda that's about providing a sustainable cost-trajectory in an environment where we all accept that costs are going to increase.

Senator REYNOLDS: Can I ask a question now, Chair, please?

CHAIR: That is the usual practice, Senator Reynolds.

Senator REYNOLDS: Thank you very much. Further to the statement from the minister, can I confirm that to achieve the eight per cent they are looking to improve the budget bottom line—so this is probably a question for yourselves—by \$622.8 million in 2026-27 and \$59 billion over the seven years between 2027-28 and 2033-34. Is that correct? Is that the savings? I haven't got it here with me, but it's in Budget Paper No. 2, on page 198. That's my reading of the budget papers.

Ms Shannon: That's correct.

Senator REYNOLDS: You said earlier that, in the formation of this—I think, Ms Falkingham, you said that you hadn't been consulted about these savings—

Ms Falkingham: No, sorry—

Senator REYNOLDS: Can you clarify what you said.

Ms Falkingham: Sorry, Senator, I was very clear that, in the weeks leading up to National Cabinet, the agency ran a range of projected long-term scenarios—

Senator REYNOLDS: I'm talking about the budget process at this stage.

Ms Falkingham: Sure. What I said was that we were heavily involved with our colleagues in the Department of Finance, the Department of the Treasury and the Department of Social Services in building the six initiatives that the agency has carriage of, that all were predicated on coming from people with disability to deliver better outcomes that have obviously a longer term impact on the scheme's financial sustainability. We were heavily involved in the development of those initiatives.

Senator REYNOLDS: Here's one of the many puzzling things about this. Minister Gallagher, when asked about this, confirmed that there wasn't a policy basis for the saving. She said there's work underway but—

Senator URQUHART: That is not what she said.

Senator REYNOLDS: That's exactly what she said. She said:

All of the components that will be required to manage the scheme, with growth in the order of eight per cent, have not been determined.

The secretary of Finance, Jenny Wilkinson, also said that she could not recall the last time a budget had booked a saving based on a spending target without a policy that sits behind it. As I mentioned earlier, our research shows that the last time that was done was by Wayne Swan adopting that approach. It was a huge big black hole. So it is a little frustrating when you've got other departments, including Finance, and you were at Treasury—Senator Steele-John was at Treasury—and PM&C all confirmed that this was not based on a costed policy. Tonight, the NDIA is refusing to provide the actuarial data that was provided for National Cabinet—

Senator URQUHART: They took it on notice.

Senator REYNOLDS: which is not cabinet in confidence

Senator Ayres: I just want to respond to this line of questioning. The problem here is

Senator ASKEW: She hasn't got a question out yet.

Senator Ayres: these questions are like grabbing smoke. It is a sort of free-form acid jazz of questions. What I've learnt to do—

Senator ASKEW: Point of order, Chair?

CHAIR: Senator Askew on a point of order.

Senator ASKEW: There is no question for him to be answering. The minister's just said he will answer a line of questioning. All he's made is a statement.

Senator Ayres: I'm responding to the question that Senator Reynolds has just asked.

Senator ASKEW: It's a preamble. We haven't got to the question yet.

Senator Ayres: It's incoherent.

Senator REYNOLDS: To make it easy for the minister, I will ask the question.

Senator ASKEW: Can we rule on the point of order.

Senator REYNOLDS: To make it easy, that is what your colleague Minister Gallagher provided.

CHAIR: That's not a question, Senator Reynolds. It would assist the committee if you could bring your preamble to a question.

Senator REYNOLDS: Do you agree with her assessment?

CHAIR: Senator Ayres.

Senator Ayres: You've just made a series of assertions that are demonstrably untrue. What I did, over the break, was—I heard the assertion being made about what was said by officials in PM&C estimates; because I was there, I did remember that the response was quite different to the way that it was characterised in here before dinner. What actually happened, Senator, was that you asked who prepared the papers. Ms Hefren-Webb said:

The papers were prepared by Ms Steele's unit, within the department, in consultation with other departments within the Commonwealth.

And then, Senator Reynolds, you asked, 'And they would be—DSS?' And Ms Hefren-Webb said, 'Correct.' And you said: 'Finance? Treasury?' Ms Hefren-Webb said, 'I believe that they were all consulted, yes.' You said, 'Could you explain who was consulted?' And that official said, 'Finance, Treasury and DSS were consulted.' And then you said, 'The NDIA?' And what Ms Hefren-Webb said was that she would take that on notice and that she was sure that the NDIA were engaged with the department on that question, but that she would take it on notice. What was characterised in here was an effort to try and pretend that there was some difference in the evidence given by officials in one place and another, and that is demonstrably untrue. And what you are doing in your questions is trying to conflate—

Senator REYNOLDS: Show us the numbers.

CHAIR: Senator Ayres has the call to finish his answer.

Senator Ayres: People are absolutely entitled to ask all the questions in the world here, but there are questions that are appropriately directed about the budget process, there are questions that should be appropriately directed about the eight per cent National Cabinet decision, and there are questions that the department would be able to engage in, to some extent, about the architecture of the review. Those are the three bits of the architecture that the government is directing towards doing what you never did. Your questions conflate, or confuse across those three bits of work. It may be accidental, or it may be not; I can't tell from here. But it's certainly misleading. It's certainly misleading and it's certainly confusing, and it certainly leads to a lack of coherence, which makes it very difficult for officials to answer questions.

CHAIR: Senator Reynolds, I'll pass the call back to you, but I will be shortly moving the call on. Senator Reynolds.

Senator REYNOLDS: If I can now finish my question: in *Hansard*, in Senate estimates, during the Finance portfolio, Finance Minister Katy Gallagher said:

All of the components that will be required to manage the scheme, with growth in the order of eight per cent, have not been determined.

And she also listed all the other activities that still need to occur to develop the policy, to actually have a policy that can be implemented to have the eight per cent met. And the secretary for finance, as I said, said that she couldn't recall the last time a budget had booked a saving based on a spending target without a policy to sit behind it.

Minister, you were talking about consultation, but consultation does not equal an implementable policy, which your finance minister has confirmed has not yet been determined. It's very simple. As the finance secretary has said, it is highly unprecedented to bank a saving in the budget without a policy sitting behind it on how that is going to be achieved.

Senator Ayres: I may be wrong, but I had a look around to see what *Hansard* was available for some of these hearings. The only one that I was able to discover was the one that I referred to. I don't know whether you're using your own notes, but that is not—

Senator REYNOLDS: It's available on video. All of these are available on video before they've written *Hansard*.

Senator Ayres: Is that right? As happy as I am to take your reading of it, there has been a very careful and deliberate budget process to work through all of the initiatives that represent a very significant investment in the capability of the NDIA. There is a process around the target that has been determined by the National Cabinet, and there is a very thoroughgoing review. All of these pieces, together, represent the first serious effort in more than a decade to engage with reforming and improving the scheme.

Senator REYNOLDS: Which, you will see the finance minister said, have not yet been determined.

CHAIR: I need to pass the call. I'll return to you, Senator Reynolds.

Senator URQUHART: Before I ask my questions, I'd like to make clear to any NDIS participants who are actually listening to these proceedings tonight that—unlike Senator Reynolds—myself and my Labor colleagues, and others in the room, don't believe that NDIS participants aren't smart enough to understand the quarterly reports by NDIA. I just want to make that point.

I'd like to ask some questions about the policy initiatives the government has developed to moderate the growth in scheme costs down to eight per cent. Can you list those policy measures and briefly explain each of those to the committee. I think there were 10 key initiatives, from my understanding.

Ms Falkingham: As I said, it was an excellent budget process. It was very collaborative across Finance, Treasury and our colleagues in DSS. That led to the build-up of the \$720 million that's been allocated in the 2023 budget, which will strengthen, as I said earlier, our capability, our capacity and our systems to improve how we support our participants. We are going to work really extensively with the sector in relation to how we do co-design on a range of initiatives that deliver good participant outcomes. As Minister Shorten has consistently made clear, our scheme remains a demand-driven scheme. We are confident our modelling of our initiatives indicates that we get to 9.3 per cent by year 4, and we're really confident that, with the development of our fraud initiatives and with further work that's happening within the agency, we will get to the guardrail of eight per cent by the end of the fourth year.

As you point out, there are a range of initiatives that look at many different aspects of our scheme. We built specialised planning particularly with a whole range of stakeholders in relation to looking at what the needs are in the planning system. That \$429.5 million is to upskill the NDIA workforce and to ensure consistency across NDIS participant plans. On better planning: as I mentioned earlier this evening, there's \$73.4 million invested to make sure NDIS participants are better supported to manage their plans so that they can achieve their goals in a really flexible way. We also have a really strong commitment around flexibility, which is \$63.8 million to implement the lifetime planning approach to ensure plans are much more transparent and flexible. We want participants to come to us and talk about upcoming life events and how we might manage and support them into the future.

Senator URQUHART: That's what participants talk to me about as well when I talk to them.

Ms Falkingham: Exactly. The heart of our scheme is lifetime care and support.

Independent living: there is \$56.4 million to improve quality of access and planning decisions to address inconsistency with decision-making and accessing supported independent living support approvals—so having a really dedicated, specialised team to ensure participants know all the options available to them when it comes to different home and living supports.

Evidence based supports: that's \$29.3 million to ensure we have a provider market that delivers quality supports and value for money for participants. I hear this a lot from participants, whether it be about overcharging issues or providers taking advantage of plans. We've also mentioned that our colleagues in DSS are leading that work around the blended payment trial, and really important work with our First Nations community—I think it's \$5.1 million that's coming to the NDIS and \$2.5 million to DSS—to pilot alternative commissioning

arrangements. That's what I hear from our First Nations leaders right across the country—that we need to look at different options that work in remote and regional locations.

Finally, the crackdown on fraud and noncompliance in the scheme—that's the \$48.3 million to support training systems and workforce capability. Within that money, there's money for us and there's money for Finance to work together to build the business case around the long-term system reform we need around fraud and compliance.

Those initiatives combined give us the confidence—and the scheme actuary has advised government of this—that we get to 9.3 per cent in year 4, which is why we've got extreme confidence in relation to the eight per cent. We're also working every single day to co-design every single aspect of this. We have really clear outcomes we're trying to achieve, and they've all originated from people with disability in terms of the approach to our initiatives within the agency, but they need to be developed absolutely and led by people with disability. That is our strong commitment, and that's why we think that we will absolutely deliver upon the eight per cent with this range of initiatives. As I said earlier, \$720 million for our agency is unprecedented. Everyone in the agency is very excited because it means that we get to spend more time with participants to build their plans. All those initiatives combined give us a really strong ability to give confidence to both our board and government that we think the NDIA can achieve that.

Senator URQUHART: Terrific. It's lovely to talk the scheme up. Minister Shorten put out a media release announcing these initiatives on 28 April this year, noting that each of the initiatives were developed with the NDIA board in consultation with the NDIS review co-chairs. To both Ms Falkingham and Mr Griggs: can you please explain the process the government followed to develop each of those policy initiatives and talk me through the details of the consultation process with the department, the NDIA, the NDIA board and the NDIS review co-chairs.

Ms Falkingham: As has been pointed out, our scheme is under pressure in a range of areas. Supported independent living, children coming onto our scheme—it's really important to us in the agency that our kids get the best possible packages and plans to deliver on the goals within their own plans—and plan inflation are key areas that we have briefed our board on, and that they are very conscious of, in terms of future growth in the scheme. That's why we go to great lengths to talk about trying to avoid future growth in the scheme. This is not about savings or cuts; it's very much about the fact we don't want bad outcomes baked into our scheme longer term. We wanted to work with the review team because we wanted to make sure that there were no-regrets initiatives, that we were absolutely following the same pathway they were across the initiatives we were developing. We also wanted to make sure they were absolutely aware of the pressures on our scheme. A really important term of reference they have is around financial sustainability, and we're looking forward to their recommendations around longer-term financial sustainability. We did absolutely test with the co-chairs our initiatives and our plans, and they were very much supportive of those; we really appreciate the wisdom.

I think it was one of the most collaborative budget processes, having been involved in them for 20 years, that I've been part of, and it's testament to the leadership in DSS. We tested ideas, and we went back and forth. Our scheme actuary will attest to the rigour that was associated with the build of the initiatives, to quantify what it would do to long-term scheme growth. I just want to keep stressing that; we wanted to make sure everyone was aware of the pressures within our scheme and how we want to avoid them so that our review can have the time to look forward to the future vision for the scheme.

As I said, it was really collaborative. We spoke, in the lead-up, to members and participants of various groups and consultation forums right across the agency. Obviously we can't go too far in relation to budget confidentiality, but we absolutely sought their ideas around themes. As you would be aware, we want an agency where ideas originate from people with disability—and that's been a key part of every theme of the budget that we worked on with Minister Shorten and our colleagues in DSS.

Senator URQUHART: Thank you. Mr Griggs, earlier you talked about how amazing the consultation and cooperation was between DSS, the NDIA, the NDIS review and central agencies. Do you have anything to add?

Mr Griggs: I don't think I can add anything to what the CEO has just said. She covered it all.

Senator URQUHART: Thank you. Minister Ayres, is there anything you'd like to add on behalf of the government?

Senator Ayres: I think there's been a pretty good account by officials that gives you a bit of an insight into the budget process. There are a series of reform objectives that the government has here: to ensure that future growth in the scheme is put on a sustainable footing, a predictable footing, where there's some strategy and management and governance principles attached to the government's engagement with the scheme; and, secondly, to ensure that there are better outcomes for participants. The distinction between us and some others in this debate is that

we think those things are linked. Better outcomes for participants leads to a more sustainable footing for future growth of the scheme. That is fundamental to the minister's approach here. It's the reason why there was a set of reforms announced in the budget that the officials have outlined this evening. It's why there is an eight per cent sustainable growth target that has been applied at National Cabinet—so there's cooperation between the Commonwealth and the states for a target. In a demand-driven scheme—and it will always be a demand-driven scheme—that is a target. It may not be achieved. What is the most fundamental question here? It is the interests of participants. But that is the shared objective.

Thirdly is the review to try and work with the sector and participants to work as broadly as possible—there will never be agreement about all of these questions—to try and get the best answers. I don't mind an estimates process that searches through all of those questions. Senator Steele-John's questions go to testing the assertions that I've made and that officials have made—and that is a good thing. I do react, I have to say, when, after a decade of having hands off the wheel, the alternative government just wants to talk the scheme down and to try and frighten participants.

This government will work with the officials in the department, it will work with the agency and it will reform the scheme. Minister Shorten will lead this reform endeavour for the government, and we will get this scheme onto a sustainable growth footing. There will be challenges and difficulties along the way, but we are determined to take some responsibility for getting this in order.

Senator URQUHART: Thanks, Minister. I just want to comment that I spend a lot of time in my duty electorate talking to people who act as carers but also participants. I spent some time in a place in Burnie a couple of weeks ago. Clearly the carers in the room—there were about 20 of them—breathed a sigh of relief in thinking about the future and the forward vision we have for the NDIS and where it is heading. I must say that they were pleased for themselves, because they love what they do. They love their jobs. But they were more excited for the people they care for, because they care about them. So I just think we should stop talking it down and get on with it.

Senator STEELE-JOHN: Minister, I'm glad to hear that you welcome the testing and the scrutiny of the estimates process. It's been my experience that many people that have sat at your table do, and hopefully the folks in the agency do too. One of the things I have been trying to test with the government since these announcements is the fact that many of your colleagues—and you've done it twice this evening—have said that the growth target is a target and that they may achieve it or they may not. Yet last night, when I asked the very same question to Treasury, they were also equally clear that eight per cent is a limit and the question before the government is, 'How do we work towards that eight per cent?' In their mind, it's a limit. So that is not a shared view. That is a difference of view within the government, and that is a cause of concern for me because, if there isn't a united view in government—particularly if there's a difference between DSS and Treasury—that's a problem and disabled people's needs could get lost in the conversation that is created by that fundamental lack of a shared understanding.

Senator Ayres: I think that there is a shared understanding. I might just explain what I mean. We need to achieve the eight per cent. I think we can have some confidence in terms of the trajectory about that question. The old-fashioned way of looking at these questions is the way the last government would have looked at them, which is that you achieve savings by cuts. That is not our approach. Our approach is to invest in the capability of the scheme, to work with participants to get better outcomes. And the reforms that have been outlined have been tested and worked through in the collaborative process across the agencies that you've heard about. There is more work to do in the review to look at future directions for reform, and they will be engaged in very broadly across the sector. That is a shared responsibility across all of us, and I think there is a real sense of determination, unity and strength of purpose across the government on making sure that, as I said at the outset, the NDIS is here to stay.

Senator STEELE-JOHN: Thank you. I have questions for Mr Swainson. I circulated some of these questions to you ahead of time, and I very much acknowledge that the questions I'm about to ask you are not seeking the identities of the individuals involved. Can you please share with me the total billable hours and total billable costs for case No. NDH-J?

Mr Swainson: Yes, thank you for sharing those questions, Senator. Certainly at this time of the evening I'm not able to get billable hours for a particular case. I'll have to take that particular question on notice—

Senator STEELE-JOHN: Okay.

Mr Swainson: with an additional caveat that obviously we'd have to take some care with any information that identifies an individual.

Senator STEELE-JOHN: Of course.

Mr Swainson: And we procure our legal services from the whole-of-government panel, so we need to also be mindful of commercial arrangements and whatnot. So, we will get the information we can for that case.

Senator STEELE-JOHN: Thank you. Are you able to tell us in general terms what the billable hours and total costs are for the agency for—and you might have to take it on notice—case No. 2020-5639?

Mr Swainson: As with the previous answer, we'll take that on notice and we'll get what information we can.

Senator STEELE-JOHN: Thank you. And could I ask how much the agency has spent on legal costs for AAT cases since 2022? Are you able to provide that to us this evening?

Mr Swainson: I can give total legal costs for AAT cases for this financial year to the end of March. That figure is \$55,210,569 until the end of March. And I would just note that that figure includes labour hire lawyers that we also procure from the whole-of-government legal service.

Senator STEELE-JOHN: How does that compare with 2021-22?

Mr Swainson: The full amount for the 2021-22 year is \$54,786,755—again, inclusive of labour hire lawyers procured from the whole-of-government panel.

Senator STEELE-JOHN: And while we've got you here, I have just a couple of questions on the IER. There's been a smaller than expected cohort through the IER trial than anticipated, noting that this is good—a sign of progress in resolving disputes early. Is it your view that there have been sufficient people going through the trial to be able to make informed recommendations?

Mr Swainson: I guess you're seeking an opinion there. We've had a reasonable number of participants go through that trial. Surveys have been undertaken. We've got the agency's research and evaluation branch undertaking a formal evaluation. I guess I'll need to take their opinion, their expertise, on whether that's sufficient for their research, but I understand that that evaluation is progressing well and no issues have been raised with me in terms of numbers around methodology.

Senator STEELE-JOHN: Okay. Did any of the people who have been through the trial so far do so without the support of an advocate?

Mr Swainson: I understand a small number of participants who were not represented approached the agency and asked to participate in the trial, and we did agree to that. I don't have the exact breakdown of those numbers, but I do know there have been participants who wanted to participate in the trial, and we agreed to that as part of the trial process.

Senator STEELE-JOHN: Can you take on notice for me precisely the numbers that did go through without an advocate? That would be really useful. Do you anticipate that the IER program will be made available more broadly for all participants?

Mr Swainson: The budget measure finishes at the end of June of this year. What we've certainly found through the course of that trial is that the range of other agency initiatives to address the AAT caseload have essentially done their work. So, through from the end of May or June last year to date, we've resolved over 5½ thousand cases that have been in the AAT. The majority of those—in fact, 98 per cent of those—were resolved through some sort of alternative dispute resolution process. The independent expert review trial was one initiative that the agency has been running; it's not the only one. So 98 per cent of those 5½ thousand cases, as I said, resolved through some form of alternative dispute resolution, and those initiatives, in some form, will continue post the IER trial. We're continuing to look at things we can do to help participants who are in the AAT to resolve their cases, and those matters will continue.

Senator STEELE-JOHN: So, post the trial, the actual IER structure won't continue?

Mr Swainson: The budget measure concludes. Can I also mention that we've got some work, obviously not in this portfolio but with the Attorney-General's Department, looking at the AAT. One of the things that's come out of the trial is Professor Ron McCallum, who is one of the independent experts who we engaged as part of that trial, is actually on the Attorney-General's expert advisory group and is assisting with that process. There is a fair bit of crossover of learnings. I know Graeme Innes, who chaired our oversight committee, has also been engaged in that process. Everything we've learned through that trial is either being applied in the agency's ongoing practices or being applied in other parts.

Senator STEELE-JOHN: Apart from the IER—because the benefit of the IER trial is that there's a kind of transparency of what you set out to do, what you achieve et cetera—are there any other formal trials around alternative AAT processes that will be able to produce—

Mr Swainson: Not in a formal sense, but we're constantly trying different things to help participants resolve disputes in the AAT. One of the things that's been really successful at the moment is our early assessment team that we've introduced. I don't know if I can call it front-loading the process. We've got agency case managers who get in contact with participants within days of a new AAT matter starting and try to work with them in terms of pathways, alternative dispute resolution and what can be done to resolve their dispute. That's an operational initiative that we've introduced in the agency, and I think we'll continue to look for things like that to continue to reduce the Administrative Appeals Tribunal backlog.

Senator STEELE-JOHN: Thank you. Turning to eligibility, the agency uses a guideline or a reference guide for the assessment of access applications for those with ME/CFS and also functional neurological disorder—correct? That's probably not for yourself; I'm asking all of you.

Mr Swainson: I might hand to my colleague.

Senator STEELE-JOHN: Thank you. I mean, you could have a stab at it if you wanted! Shall I repeat the question? The agency uses a guideline or a reference guide for the assessment of access applications for people with ME/CFS and FMD—correct?

Mr McNaughton: That's correct.

Senator STEELE-JOHN: Can the agency table the criteria or reference guide for those seeking access to the scheme with those conditions?

Mr McNaughton: We can take that on notice. It's just really important, as we're all aware, that we're not a diagnosis driven scheme. Section 24 or 25 doesn't ask for a diagnosis. We're very clear on that. It's really about making sure that we're getting all the information we need to make sure that it's a permanent condition, which you know ME is, and then the level of functional impact that that condition has on that person across those different domains. That's really where we go to in that guidance; it's about making sure we get that functional impact assessment.

Senator STEELE-JOHN: Are the guidelines used for these conditions the same as the guidelines currently under review by the RACGP?

Mr McNaughton: The guidelines we use now are based on the current act as it currently stands in the—

Senator STEELE-JOHN: Yes, but the specific guidelines or reference guidelines for these conditions, particularly ME/CFS—you'll table them, I know that—

Mr McNaughton: We'll table them, yes.

Senator STEELE-JOHN: But are they the same ones that are used by the RACGP?

Mr McNaughton: They would be using a diagnosis driven set of guidelines. We're using our guidelines to assess against section 24 or section 25 of the act. We have some specialist teams within our technical advice branch where we have additional supports. This is a challenging interface with chronic health conditions entering the scheme, and we're getting a lot of presentations at the moment. It's a really complex area for our staff who assess eligibility. We have some additional clinical experts in our technical advice team that assist in the determination of those applications.

Senator STEELE-JOHN: Okay, so what information is provided to planners to support them to make a determination in relation to somebody with ME/CFS or FMD?

Mr McNaughton: We have our access guidelines for our access staff. They'll go through all the available information. When the prospective participant submits an access request form, they'll have all the information from their treating doctors and medical practitioners, as well as allied health information that goes to the impact of that on their functions across the domains of personal care, social engagement—across those four or five different domains. That's the guidance. I can table that for you.

Senator STEELE-JOHN: Please do. The reason I ask and am seeking it in writing is that, as you've just said, you know and I know that ME/CFS is permanent.

Mr McNaughton: Yes.

Senator STEELE-JOHN: I also know that it is extraordinarily debilitating for a lot of people. That is a shared understanding. However, I and my team support many people in the community who are having some real challenges accessing the scheme and getting the support they need. If we could get that in writing, that would be really helpful.

CHAIR: Senator Steele-John, I will need to move the call in a moment, so I ask you to wrap up and put what you need to on notice.

Senator STEELE-JOHN: I'll wrap up this line of questioning for eligibility and then pass the call. I'll then have other questions, but I'll pass the call around.

CHAIR: The committee was seeking to continue after the tea break. Senators, I'm literally responding to the guidance you've given me. Senator Steele-John, as I said, I will be moving the call in a moment.

Senator STEELE-JOHN: Yes, thank you. The agency website states:

We will only reassess your eligibility if we receive information that your disability support needs or situation have changed. So how many reassessments of eligibility has the agency completed in the last 24 months?

Mr McNaughton: I'll get you that number. I just want to be clear though. We assess eligibility across two main areas. One is for children who enter the scheme under section 25 through the early intervention criteria, which is a very deliberate and very well understood process: children enter the scheme under the early childhood pathway; may stay on the scheme for one, two or three years; get access to those really important early intervention supports; and then graduate from the scheme.

Senator STEELE-JOHN: I'm sorry, Mr McNaughton, I think I might have phrased my question in a way that wasn't too helpful to you. What I was seeking was agency-driven or agency-initiated reassessments of eligibility.

Mr McNaughton: It's the same type of process because for young children that will come via our early childhood partners. They will make a recommendation to the agency when the child has had the early intervention supports, and we'll reassess eligibility. Our planners or our partners in the community can also make recommendations around potentially a person who may no longer need ongoing support or whose plan might reduce. An example might be someone who has a psychosocial disability and we've built capacity. They could actually stay on the scheme but with a zero-dollar or a low-cost plan and then access supports later on. That's just one example. For some other people, it could be that we don't think their disabilities are likely to meet section 24 or 25. We could ask for additional information through the eligibility reassessment process and make a determination that way. But I can get you the numbers of how many eligibility reassessments we do.

Senator STEELE-JOHN: Yes—those that have been agency triggered in the last 12 months and the last 24 months. I just want to clarify, though: are you saying that partners in community can trigger a reassessment without the agreement of the participant?

Mr McNaughton: No. What they would do as part of a normal review cycle is have the conversation with a participant and then, during that conversation, a participant could provide some information about whether they've built some capacity and may no longer need a funded plan.

Senator STEELE-JOHN: So they could provide the information and, based on that, the partner in community could trigger?

Mr McNaughton: They would make a referral to us as delegates to then investigate that.

Senator STEELE-JOHN: Does that require the participant's consent, though?

Mr McNaughton: That can be a referral to us. As part of the engagement with the participant, once we look at the information—the referral that could come to us—we would then engage the participant to provide any additional information they may have around their ongoing eligibility.

Senator STEELE-JOHN: I've had people come to me very surprised that the agency has triggered a reassessment of their eligibility based on a conversation in a review. The chair wants to pass the call, so I'll just ask you a couple of quickfire questions that you can take on notice. How many disabled people have subsequently lost access to the scheme as a consequence of reassessment initiated by the agency? Can you also break that down for us by the type of disability the participant has?

Mr McNaughton: We'll take that on notice and see what data I can get you.

Senator STEELE-JOHN: Thank you.

CHAIR: Senator Reynolds.

Senator REYNOLDS: I'd like to go back to the quarterly report, please. I'd like to go through—
Senator Pratt interjecting—

Senator REYNOLDS: I've been having a look at the—just wait until I read out some of the—

CHAIR: Senators, we've got a lot to get through.

Senator REYNOLDS: We do. In regard to the NDIS Participant Service Improvement Plan, and all of the time lines from the December 2022 report through to the March 2023 report—it's section 3.1—that I've been having a look at have been pushed out by one to two years. In fact, I can't find a single metric in the service

improvement plan that hasn't been pushed out. The Participant Service Improvement Plan commitment has been pushed out from June 2024 to March 2025. The Participant Service Improvement Plan commitment, including improving access to information and reasons why we have to do something in plain English, has now moved from June 2023 to March 2025, and so it goes on. I think every single metric in the service improvement plan has been pushed out by one to two years. Can you please give me an explanation of why it has been delayed for so long?

Ms Falkingham: I think our deputy CEO, Ms McKenzie, can speak to this.

Ms McKenzie: I'll just provide an update. We have 29 commitments in the service improvement plan that have been fully implemented. Twenty-two commitments are underway. All have been commenced. Thirteen are in progress and forecast for completion by December this year. The remaining nine will be delivered by June 2024. Most of these actually are dependent, I think, on the rollout of our new CRM of the PACE system; hence, the time lines that you described.

Senator REYNOLDS: You say 13 are in progress and will be completed in December, so those ones haven't been pushed out. It might be easier if you go to page 52 of the latest quarterly report. I don't want to spend too much time on this. I'm happy for you to take it on notice. When you compare them to the December 2022 report, there are at least 15 that have been pushed out by one to two years in terms of delivery. That includes three in the Participant Service Improvement Plan commitment, three in the Participant Service Improvement Plan commitment on page 56. The ability to access online access request forms has gone from June 2023 to March 2025 and, again, it goes on and on. The 22 under way—I'm presuming those are the ones that have now been pushed out by one to two years, because in December last year you were reporting that pretty much all of them were going to be ready by June 2023.

Mr Gifford: Each of the commitments that are shown with a date of March 2025, as footnoted, are becoming available to participants as the rollout of the ICT system commences. March 2025 is the completion date of the program. That's the date at which the commitment will have been met with respect to all participants.

Senator REYNOLDS: Could I get on notice, if you can go through all of those that have been pushed out, why it's only been picked up now. Why the December 2022 said they were still on track for an earlier delivery. Can you take each one of those and report back on that.

Having a look, there's also been a huge fall in call centre standards. By my reading, the service standard is that 80 per cent of calls were answered within 60 seconds. However, the service participants are now receiving is 45 per cent waiting an average of 2.28 minutes, which, on my reading of this, is the worst performance in two years at least. Can you go through quickly or take on notice the reasons for that drop in call centre standards.

Mr Dardo: Absolutely. In looking at the contact centre, we're implementing a transformation strategy and the main game in that transformation strategy is to improve first contact resolution. As we've been looking at why people are calling, there's a chunk of calls that are coming back because we're not answering them the first time. What we've done is we've looked at the training that's causing that. In our outsourcer they were getting 11 days of training before being put on to phones. What we've done is double that training. In addition to that we've started to create an insource workforce with an escalation queue and specialist training, and they're getting about 40 days of training. What I've done is made the call in terms of resourcing to take some of the pressure off the workforce to put that resource into training and skilling and improving the content that they use to provide service to the clients.

Senator REYNOLDS: Can you take the detail on notice because again we're out of time?

Mr Dardo: Can I just share two stats with you in response.

Senator REYNOLDS: If you could take the detail of that on notice. When do you expect the customer service experience to get better?

Mr Dardo: It's already better. And to give you an idea, as a result of that intervention we've improved first contact resolution dramatically. The complaint rate is still sitting at less than 0.01 per cent, and the satisfaction rate has increased. The other thing I would say is that the workforce that is now coming on stream, the insource workforce that is coming on stream, we're exceeding 40 per cent disability presentation. That workforce is now more representative of our client base.

Senator REYNOLDS: I've got some more questions so if you could put that on notice and give us a bit of a time frame that would be excellent. Can we go to the participant service guarantee now and some of the quarterly data in there. By my reading, the plan reassessment time frames are falling, with 68 per cent of the time NDIA commences a plan reassessment prior to the scheduled reassessment date. A third of all participants aren't getting reassessments as expected more than 12 months. This is despite the PSG legislation changes that have come in.

Mr McNaughton: Just to clarify that participant service guarantee measure, this is commenced facilitating a scheduled plan review. So when the participant has got their scheduled planned review coming up, this PSG measure is for us to start that review 56 days before that planned review expires—the plans don't expire, actually, they automatically extend. That has been a measure that we've changed now a data marker in our system. So we're actually starting that process now a hundred days, but because we haven't started that throughout so many quarters there's a catch-up period. We're seeing that increase quite considerably through that new process.

Senator REYNOLDS: Could I again get you to take that on notice?

Mr McNaughton: Yes.

Senator REYNOLDS: Senator Ayres, if you want to go through all of these I'm happy to do that. We'll end up in a spillover.

Senator Ayres: There's been a sequence of three things here that you've asked and you've said that the outcomes terrible and when officials have explained it.

Senator REYNOLDS: Chair—

Senator Ayres: I just want to deal with this question on notice thing, because it is—

Senator REYNOLDS: I'm happy to go through all this in great detail for long answers.

Senator Ayres: Why do you always interrupt?

CHAIR: Senator Reynolds, are you calling a point of order?

Senator REYNOLDS: The point of order is I'd like to get through these questions.

CHAIR: Senator Reynolds, that's not a point of order.

Senator REYNOLDS: It would be helpful if the minister didn't interrupt.

CHAIR: When questions are asked, the expectation is that they're asked and listened to respectfully. When answers are given—

Senator Ayres: You asked for the question to go on notice; I am responding.

CHAIR: Senator Ayres, it would really assist me if you could let me finish. As much as I enjoy saying this over and over in the course of four days, this process works best when questions are asked and listened to respectfully, and, when an answer is given, it is listened to respectfully. The call will be passed back to you at the conclusion of the minister's answer. Senator Ayres, you have the call, and then I'll pass to you, Senator Reynolds.

Senator Ayres: You've asked, Senator Reynolds, for the—

Senator REYNOLDS: Point of order, Chair.

CHAIR: Senator Reynolds, on a point of order?

Senator REYNOLDS: Could I actually ask a question first, before the minister makes a political point? It would be helpful if I could keep asking questions.

CHAIR: Senator Reynolds, that's not a point of order. My observation of the proceedings is that you have asked a question which was going to officials; the minister is seeking to answer it. If that is incorrect, I apologise. We can give the minister the chance to answer the question. I will return to you to ask another question, and then we are going to the tea-break at 9.15.

Senator Ayres: This is the third time in a row. I just want to deal with this—

Senator REYNOLDS: That's five minutes the minister has now taken up.

Senator Ayres: I would have been finished 4½ minutes ago if you hadn't interrupted. You've asked three times a question where you've said, 'The outcome here is really poor.' Then, when officials have explained that actually the outcome is much better and you've misunderstood the answer, you've then asked for it to be taken on notice. Taking questions on notice is generally relied upon by officials to go and get more information, not by senators asking questions to obscure the fact that they haven't got the answer that they like to the question. Now, we will take all of these on notice, as you've requested, but, really, framing the questions in the way that you have is not very helpful.

Senator REYNOLDS: Senator Ayres, I'm not very grateful for yet again another bit—

Senator ASKEW: Mansplaining.

Senator REYNOLDS: of mansplaining, as Senator Askew has just described it.

Senator ASKEW: And it's offensive, to be quite honest.

Senator REYNOLDS: It has been a series of mansplaining all night, and I don't think either of us actually needs a lesson on how—

CHAIR: Senator Reynolds—

Senator REYNOLDS: Senate estimates works and what questions we can and cannot ask.

Senator PRATT: A point of order, Chair.

CHAIR: Yes, Senator Pratt, on a point of order?

Senator PRATT: Senator Reynolds has made a derogatory and untrue statement about Senator Ayres, and I ask that, under the standing orders, accusing someone of 'mansplaining' should be withdrawn.

Senator REYNOLDS: Senator Ayres is actually smiling.

Senator Ayres: I'm very grateful—

Senator PRATT: Provided he's flattered by it, that's fine!

Senator Ayres: If I might make a submission on this—Senator Pratt, I'm very grateful for that, but I'm big enough to handle that allegation! It's okay.

Senator PRATT: That's fine.

CHAIR: My usual practice in these instances is to ask the senator concerned to withdraw, but we have three minutes to go and we may all be best served by a question and an answer. Senator Reynolds, you have the call.

Senator REYNOLDS: Okay. Given we have even less time now, I've still got many questions, so I will ask a number of questions, and, given some of these answers very long, I will ask for them to be taken on notice. Thank you, Senator Ayres; I do understand how the process works. Can you also then take on notice the home and living decision time frames. My reading is that they are getting worse. The number of those waiting more than 90 days has doubled compared to the last quarter. Can you also take on notice the complaint numbers, which look like they have doubled, and could you explain why, because I suspect there are some reasons for that. That is on page 68—because it does look like there has been a complaint theme and it is spiking; what is the reason for that? I've got it dropping to 79 per cent in March 2023, compared to 100 per cent in June 2022, which is page 64. So could you explain that in a bit more detail. And is it related to 53 per cent of participant plans being actually reduced after review, which is on page 70, with 26 per cent with a reduction of more than 20 per cent to their plans over that period? If you could explain those reductions and the linkage to an increase in complaints, that would be appreciated.

Then, when you go on to the social and community participation, which is on page 31, one of the metrics that I am particularly interested in is that one of the main pillars of the scheme's establishment appears to be going backwards, and that is that the board set a target of 46 per cent in 2022-23, but it only reached 42 per cent, which I understand is a fall. That's, again, on page 31. Could you explain the reason for that dynamic. Also, it looks like social and community participation for 15- to 24-year-olds is going backwards now, over the longer term trend, the longer they're in the scheme, which seems counterintuitive because the whole idea of the scheme is for young people in those age brackets in particular to be doing more social inclusion and participation.

CHAIR: It's time to go to a tea-break. Could you conclude what you're putting on notice so we can do that break.

Senator REYNOLDS: Their participation has gone down to 39 per cent. Could you explain, please, why that is happening.

Mr McNaughton: We'll take those on notice.

Senator REYNOLDS: Thank you.

CHAIR: The committee will now suspend. We'll be resuming at 9.30 pm.

Proceedings suspended from 21:15 to 21:30

CHAIR: I understand the secretary wishes to respond to a question on notice which was put.

Mr Griggs: Earlier, Senator Reynolds asked about the passage of the quarterly report into the Disability Reform Ministerial Council. Our secretariat releases that report to state and territory ministers and their staff once the NDIA advises us the minister's signed off on the report that's gone to him.

CHAIR: Ms Falkingham.

Ms Falkingham: I also have one that we needed to get back to Senator Steele-John, if that's okay.

CHAIR: Yes, thank you.

Ms Falkingham: Senator Steele-John, for claims data ending for the 2022 calendar year, there are 5,050 manual wheelchairs, there are 4,103 power wheelchairs and there are 2,450 powered mobility scooters. We don't have record machine-readable data on total number of participants who currently use a wheelchair, participants who have purchased a wheelchair using self-managed funds, or brands or models where wheelchairs are purchased. I hope that answers your question.

CHAIR: Senator Steele-John, please take the call.

Senator STEELE-JOHN: The agency is currently revisiting its assistance animals rules. What are the aims of the current review and what is the time line of the current review?

Ms McKenzie: On 9 September 2022 we reconvened the dog-guide advisory group in response to some issues that were raised at the DRM, the disability reform ministers meeting. Those issues related particularly to the definition that we're using of the working life of an assistance animal and the length and the complexity of the assessment template that we use to collect evidence about the suitability of a dog guide. The group has been working to undertake a review or a co-design of the streamlined assessment process so that we can reduce the approval times as currently in place for dog-guide applications. The process has been agreed and finalised now, and we're in the process—we'll shortly commence updating the operational guidelines, the OGs, in relation to assistance animals. We expect to publish an updated OG by the end of this year.

Senator STEELE-JOHN: Thank you. The webpage calling for participants states, and I'll quote it directly: 'If you or the person you represent experience vision impairment and use a guide dog, your feedback can be helpful to us to improve this assessment template.' I'm a bit concerned, from that, that the webpage does not state that people who use an assistance animal other than a guide dog exist and are not necessarily vision impaired. This language seems to imply an exclusion of them from the review. Does the review cohort include people who use assistance animals but are not vision-impaired?

Ms McKenzie: You're absolutely right to say that eligibility for assistance animals does not require vision impairment. We adopted the La Trobe University definition of assistance animals, which is that an assistance animal is trained to perform at least three tasks or behaviours which the person can't do because of their disability. That's not specific to vision impairment.

I don't have an answer for you here in relation to who is participating in that advisory group, so I'll take it on notice and I'll confirm that for you. And I absolutely take your point about the website text too; I'll take that as a comment, if I may?

Senator STEELE-JOHN: Yes. And if that's not the case, and you are subscribing to the La Trobe definition, then it would be great if that were reflected—

Ms McKenzie: Reflected on the website.

Senator STEELE-JOHN: Yes, thank you.

Ms McKenzie: Absolutely—taken, thanks, Senator.

Senator STEELE-JOHN: How many assistance animals have the agency approved in the last 12 and 24 months?

Ms McKenzie: I have some data for you here. The total number of assistance animals funded to date is 606.

Senator STEELE-JOHN: And that's from when to when?

Ms McKenzie: It's up until March 2023, but I might need to come back to you on when it's from.

Senator STEELE-JOHN: Okay. If you could come back to us on that, that would be great.

Ms McKenzie: Yes, of course.

Senator STEELE-JOHN: Can you tell me how many of these approvals related to assistance dogs specifically?

Ms McKenzie: As opposed to other animals?

Senator STEELE-JOHN: Yes.

Ms McKenzie: I don't have that data, so I'll come back to you on that too.

Senator STEELE-JOHN: And, if you can, how many of them were for other types of assistance animals. That would be great.

Ms McKenzie: Dogs versus other animals?

Senator STEELE-JOHN: Yes, dogs versus other animals—just to be really clear.

Ms McKenzie: Yes.

Senator STEELE-JOHN: And how many assistance animals have been approved via an AAT case in the last 12 and 24 months?

Ms McKenzie: I don't know that either. I will come back to you on that.

Senator STEELE-JOHN: Okay, thank you. Would the agency consider an alert service—a medical alert or medical response animal—as an assistance animal?

Ms McKenzie: I'll come back to you on that specifically. I would anticipate that the reason for a medical alert requirement would certainly be one of the tasks or behaviours relevant to the consideration. But let me come back specifically on whether we have any advice around medical alerts.

Senator STEELE-JOHN: Okay. My understanding of the La Trobe definition, particularly in relation to alert service dogs, is that they're essentially assistance animals. But if you could take that away and get that back to us on it, that would be great.

Ms McKenzie: We will, of course.

Senator STEELE-JOHN: My last line of questioning for the night goes to the new Co-design and Engagement Branch. My understanding is that one exists; you referenced it earlier, so I think we can safely say that that has been confirmed, which is good. When was the branch established?

Ms Falkingham: Ms McKenzie might want to speak about that, but, as you might be aware, our structure is currently in the conclusion stages of consultation. It has been really important to us that all of our staff had a chance to have a say on the structure of the organisation. One of the things, as you know, that we've heard really clearly is to have a dedicated codesign team which works directly with participants. We're in the process of recruiting for the head of that branch at the moment. Ms McKenzie might want to add to that.

Ms McKenzie: The establishment of the Co-design and Engagement Branch predates my time at the agency, but it has been operating for a couple of years now—particularly supporting the six codesign projects which have been under development, and also a range of other things. As Ms Falkingham has indicated, we're currently reviewing the structure of the agency. One of the considerations and the proposal there is to separate engagement from codesign so that there's a dedicated codesign branch as well.

Senator STEELE-JOHN: So it hasn't been established?

Ms McKenzie: It hasn't taken effect, no. There is a current branch called Co-design and Engagement—

Senator STEELE-JOHN: And a dedicated engagement branch doesn't yet exist?

Ms McKenzie: Yes.

Senator STEELE-JOHN: So how many FTE are in the current engagement and codesign branch?

Ms McKenzie: That's an excellent question. Do you have that?

Ms Falkingham: We'll take that on notice.

Senator STEELE-JOHN: Could you tell us, in the branch overall, how many FTE are allocated to the co-design versus the engagement?

Ms McKenzie: We'll give you a breakdown of that.

Senator STEELE-JOHN: Lovely. What are the key projects that it is envisaged the branch will be responsible for delivering?

Ms Falkingham: I think the starting point is that our budget initiatives will be a key focus point of that group.

Senator STEELE-JOHN: Right. So those budget initiatives will form your kind of—

Ms Falkingham: The core. Ms McKenzie might like to speak to this as well, but our conversation with community is about how we use the co-design team to not only support the budget initiatives but move to the implementation of the review. So we are very much in community's hands in terms of the priorities of that branch as well, making sure that people have input into what we say are the priorities of that group.

Senator STEELE-JOHN: Okay. What is the agency's current definition of 'co-design'?

Ms Falkingham: I think we might have gone through this previously. I will throw it to Ms McKenzie, but it won't surprise you that it comes from the TACSI model in South Australia. That is the basis for our principles around co-design. Ms McKenzie will go into that in more detail.

Ms McKenzie: Our current definition is included in the NDIA Engagement Framework, which is available online, and that sets that out. However, as the CEO has indicated, we do have a Co-design Advisory Group, and part of the terms of reference of the Co-design Advisory Group is to continually assess, review and improve the approach to co-design.

As the CEO has also indicated, we are obviously embarking upon a significant period of co-design in relation to the measures outlined in the budget, and explicitly as part of that we're also reviewing the approach to co-design to ensure it's best practice, fit for purpose and relevant.

Senator STEELE-JOHN: Could you provide me, on notice, with a list of who's part of that group?

Ms McKenzie: The Co-design Advisory Group?

Senator STEELE-JOHN: Yes.

Ms McKenzie: Yes, of course.

Senator STEELE-JOHN: Thank you. I just have a last one, on notice. Would you be able to provide to me, on notice, what work the agency has done in light of the Federal Court case *NDIA v WRMF*, particularly in relation to the development of a policy regarding sex services?

Ms Falkingham: I am happy to take that on notice, Senator. Also, there are 34 FTE that work in the Co-design and Engagement Branch.

Senator STEELE-JOHN: That's the branch overall?

Ms Falkingham: That's right.

Senator STEELE-JOHN: Well, hello to the 34, but how many of those 34 are co-design versus engagement?

Ms Falkingham: I think that would be part of the work of the implementation of the new structure, in terms of which staff are dedicated, because—

Senator STEELE-JOHN: No, I just mean: currently what's the division?

Ms Falkingham: I think some staff will work on both, so that's part of the work of separating out that branch. I'll take that on notice to see if I can get you a distinct number, but I think you'll find that a lot of staff work on both elements.

Senator STEELE-JOHN: Yes. I'd love to know how many people are dedicated to co-design. Both are important; they are just very different jobs. And I had that other question, around the court case.

Ms Falkingham: We will come back to you.

Senator STEELE-JOHN: Thank you. That'll do me.

CHAIR: Thank you, Senator Steele-John. Senator Askew

Senator ASKEW: I've got some questions in relation to autism. There have been a number of media reports recently and over the last couple of years that were indicating that autism will cost Australians up to \$8.25 billion. I've got some articles there if you'd like to see them. I'm just wondering: how and why is autism costing so much, from an NDIS perspective?

Mr Gifford: It's a broad question. The number of participants in the scheme with autism as a primary diagnosis, at 31 March, was 207,385, which is 35 per cent of participants. In the third quarter—so in the quarter to March 2023—30 per cent of new participants had autism as a primary—

Senator ASKEW: Thirty per cent?

Mr Gifford: Thirty per cent—three-zero, yes. As I said, that represents roughly a third of the scheme, in terms of both scheme population and new intake. Now, I'd note that the average cost of those participants is lower than the average cost of the scheme as a whole, because many of them are children who tend to have smaller packages, but, nonetheless, it is a third of the scheme. So I guess just the sheer volume of those numbers obviously represents a reasonably substantial cost.

Senator ASKEW: Okay. Would there be any issues associated with overdiagnosis? I'm aware there are three levels: one level you don't get access; the other two, you do. Would there be any access to that?

Mr Gifford: I'd probably defer to my colleague, Mr McNaughton, on the specifics of entry to the scheme. I personally wouldn't want to characterise overdiagnosis. I think we follow our rules and legislation as far as participants entering the scheme goes.

Senator ASKEW: Okay, so not from your perspective, but perhaps from external. How many cases of autism have been actually diagnosed in Australia in the last year? Are you aware of that?

Mr Gifford: I'd have to take that on notice.

Senator ASKEW: Would you know how many were actually accepted into the NDIS?

Mr Gifford: I don't actually have to hand the figure accepted in the past 12 months. I can certainly take that on notice as well.

Senator ASKEW: Could you provide that on notice with the prior year as well, just as a comparison?

Mr Gifford: Yes, certainly.

Senator ASKEW: Obviously, you've given me the total number of participants. Is there an actual dollar figure associated with that 30 percent and how much it would actually be costing?

Mr Gifford: Yes. The figure's fairly readily available. The average payment for participants with autism, in the year to March, was just over \$33,000.

Senator ASKEW: Per participant?

Mr Gifford: Per participant, yes, which is sort of considerably less than the average across the scheme. Sorry, I don't have the exact figure to hand, but it is over \$60,000. As I said, we're talking about a large proportion of those participants being children, who have plans of \$20,000 or less. Don't take this as a precise answer—we'll take the precise answer on notice—but 200,000 participants with \$30,000 each is in the order of \$6 billion.

Senator ASKEW: Okay, and you'll confirm that on notice?

Mr Gifford: Yes.

Senator ASKEW: Okay. Overall, how many categories or varieties of disabilities are listed within the NDIS?

Mr Gifford: There are a couple of different levels to that question. At a detailed level, I'd probably have to take that on notice. There's a higher-order grouping of primary disabilities that we use from a data analysis point of view, of which there are 17. In terms of that more detailed level that sort of sums up to that 17, I'd probably have to take that question on notice if I could.

Senator ASKEW: If you could also take that on notice when you do that how often that fixed number of around 17 is reviewed? And when was the last time it was reviewed? Is there a continual review of that?

Mr Gifford: I can answer that. I'm getting into a bit of detail, but even below the 17 and above that very detailed level, there are different ways that we look at the categorisation. As it actually turns out that, with the higher-order grouping, we were using 15 up until quite recently, only a few months ago, and we then broadened that out to 17. That particular adjustment was only probably two or three months ago, I would say.

Senator ASKEW: Okay. I understand and appreciate that often somebody with one disability has more than one and all that, but the primary disability is what I would be looking for.

Mr Gifford: Yes.

Senator ASKEW: Also on notice, would you be able to provide a breakdown of the costs for each of the disabilities—of those 17, the costs on an annual basis?

Mr Gifford: Yes. We can do that.

Senator ASKEW: That would be good. There's a recent article in the *Australian*, 'Call to reconsider NDIS independent assessments to diagnose autism in children'. I'm happy to table that if you wanted to have a look at it. With experts calling for independent functional assessments, such as that, to determine whether children with autism are eligible for NDIS funding, what are the current guidelines for someone with autism qualifying for NDIS?

Mr Gifford: Again I'll probably defer to my colleague Mr McNaughton for the specifics of assessment.

Mr McNaughton: Similar to that answer to Senator Steele-John: whilst we're not a diagnosis-driven scheme, we do have autism on our lists which help to guide access to the scheme. We have lists A, B, C and D. If you have autism—I think it's DSM level 2—you're on a certain list. That gives you the permanency that you need, and then we'll assess the other parts of that. I can give you the detail on notice around autism on each of the lists—

Senator ASKEW: That would be perfect.

Mr McNaughton: and then what we look for as we're making the eligibility assessments beyond that point. Because it's a spectrum disorder, as we know, we're looking for the impact from a functional assessment through the access process.

Senator ASKEW: Is it something that's being looked at under the independent review as well, so it's all being wrapped up in—

Mr McNaughton: Yes.

Senator ASKEW: I think there are nearly 200 Australians joining the scheme each day. Is that about right?

Mr Gifford: I think that figure has been quoted. It's of that order, yes.

Senator ASKEW: Obviously, with the independent review happening, I appreciate that. What is being done apart from that in immediate terms to ensure that those who absolutely need the support from the NDIS are actually getting the support—making sure that it is the right people getting it?

Ms Falkingham: We continue to monitor and look at new and emerging research in relation to some of the early intervention approaches which have the greatest benefit for children and their families. This research has provided us with strong guidance to the NDIA on the effectiveness of interventions and therefore the most beneficial investments likely to deliver the best outcomes for children and their families. We really welcome the release of the Autism Cooperative Research Centre's national guidelines for supporting the learning, participation and wellbeing of autistic children in Australia. We're currently updating our operational guidelines to reflect those best-practice principles. We're also connected to the \$720 million of investment building our capability to work much more closely with families to provide information to inform choice of control on different types of interventions. And we are investing, as I said earlier, in the better decision-making processes. Obviously we're working with our colleagues in DSS as well, about the National Autism Strategy. We have an extraordinary collaboration across the sector in relation to how we can improve and make sure that participants with autism are getting the best supports possible. There is further investment around some further pilot programs in the budget as well. So we're doing everything we possibly can but making sure it's really participant driven. We do really understand the pressure on families, and so we want to have a more comprehensive approach to the planning.

Senator ASKEW: You're often identified at a young age. How long does it take, once you've been diagnosed, to actually start to receive the support? Once you make an application to the NDIS, what's the process, and what sort of time frame would it be before that's approved and a plan put in place?

Mr McNaughton: Those time frames are articulated in the participant service guarantee. We have 21 or 28 days—I'll check that—to make an access decision, which we do 95 per cent of the time. Then, if it's a child under the age of six, that would be referred off to our early childhood partners in the community, who would then start the initial supports and assessments. Then they would do an NDIS plan. But you can actually receive early intervention supports from our early childhood partners without having a full plan. They'll start that process as part of the contract we have with our early childhood partners to do some of those initial supports. Then we'll build out an NDIS plan beyond that approach. But the time frames are set out in the participant service guarantee, and we're hitting all of those time frames.

Senator ASKEW: Excellent. As the review is going ahead and the report is released, almost certainly there are going to be renegotiations with states and territories regarding the costing of this scheme. With the financial sustainability trajectory happening, does it mean the Commonwealth waiting until 2025 to 2028 to renegotiate them, or are there going to be big discussions? Obviously we announced recently, after the National Cabinet meeting, where we're going. Where are things at in regard to relationships with the states and territories regarding the renegotiating of the agreements?

Senator Ayres: I have to confess that I was distracted by a discussion with the secretary. If you could start that question again for me, I'd be very grateful.

Senator ASKEW: With regard to the fact that the report is going to be released, and there will be renegotiations required with the states and territories on their contributions to the funding of the NDIS, and, obviously, I'm aware that National Cabinet met recently and made the announcement that they have, can you give me an update on where things are at in relation to those discussions and agreements?

Senator Ayres: I don't have any additional information to provide than the headline outcome of the National Cabinet.

Senator ASKEW: Could you take on notice giving us an update, especially with time lines on when things are expected to happen?

Senator Ayres: If there's something additional that I can provide in terms of any developments or engagements, I will.

Senator ASKEW: Excellent.

CHAIR: Thank you very much to officials from the NDIA. You did take a number of questions on notice, which we are asking to have returned to us by Friday 14 July 2023. Thank you for your attendance today, and please travel safe home.

[21:56]

CHAIR: We will now move to Outcome 3. Senator Askew, you have the call.

Senator ASKEW: Continuing on with the autism topics, the cost for the support of people with autism—\$27 million over four years from 2023-24—will be met by reprioritising funding from the DSS program Disability and Carers. Can you outline what programs or grants or services are going to be cut or amended to fund the measures?

Mr Mansfield: The question that you asked was around whether there were going to be any cuts associated with the reprioritisation within Outcome 3.1. I can confirm that the answer is no. There are different elements of Outcome 3.1 that are demand-driven, if you like, driven by different levels of demand for particular types of services. That leads to scenarios where there are lower utilisation of services, and there is an underspend. So the reprioritisation associated with the autism measure was associated with those underspends in the areas of 3.1 that were not being utilised. The other component related to the information linkages and capacity-building program, where there were uncommitted funds that contributed to that reprioritisation.

Senator ASKEW: Would you be able to provide me, even on notice, what those underspends were that have been redirected that way?

Mr Mansfield: We can take that on notice.

Senator ASKEW: Excellent. You also mentioned the ILCs for uncommitted, so could you give me the details on those as well?

Mr Mansfield: I can give that detail to you on notice, if you'd like.

Senator ASKEW: That would be good. Since the October 2022 budget, which seems like a long time ago, what annual administered items or programs and grants have been discontinued or not renewed in Outcome 3?

Mr Mansfield: I think we would have to take that on notice, given the breadth of what you've asked. There are time limited grants that are due to cease normally because the activity is time limited. There are other programs where there are changes. But we could take on notice the detail outside of the normal parameters of a grant ceasing because the activity has finished. We can take that on notice.

Senator ASKEW: When you do that, can you also include any cuts or amendments across the forward estimates, if that applies for those as well?

Mr Mansfield: We'll take that on notice.

Senator ASKEW: In relation to the support for people with autism measure, could you give me an update or advise how the measure is to be funded, including details, once again, on reprioritisation?

Mr Mansfield: The funding of \$27 million over four years includes several components. Perhaps I can run through those briefly. There's \$3.7 million in 2023-24 to undertake consultation and research for the National Autism Strategy. There's \$1.2 million over two years from 2023-24 for the development of the national road map around autism for the Department of Health and Aged Care. The other component is \$22.1 million over four years for two pre-emptive early intervention pilots for infants with early signs of autism that was announced in the budget. Those commitments are in addition to the \$5.3 million in the October budget through the better support for people with disability measure, which related to the national strategy: \$1 million for the national strategy; \$2 million for the Autism CRC to continue its research work and advice and support for the strategy; \$300,000 for the development of the national road map to target health and mental health outcomes for people with autism; and \$2 million for the AEIOU Foundation for Children with Autism to expand their existing intervention centre in Townsville.

Senator ASKEW: Just in Townsville. On those pilots, could you give me an update, first of all, on when they will commence?

Mr Mansfield: I can't give you a specific time when they will commence, but the work has started around the early design of those pilots. We've had some preliminary engagement with states and territories, and indeed it's on the agenda for the upcoming meeting of the Disability Reform Ministerial Council to talk about that. We've also had some engagement with Telethon Kids as well as Autism CRC and some other stakeholders to start the process for developing those pilots. We'll obviously also be working very closely with the NDIA, who are themselves leading a pilot with Telethon Kids in WA.

Senator ASKEW: Do you know where they'll be located?

Mr Mansfield: No decision has been taken by government around the location. Part of the engagement with states and territories will be to draw out interest in partnering with the Commonwealth in relation to that and to look at their child health and maternal health and early childhood systems as well as their potential readiness to focus on the areas that the pilots are intended to focus on.

Senator ASKEW: You've mentioned Autism CRC and Telethon Kids. Are they likely to be the providers, or are they just stakeholders that are being consulted with?

Mr Mansfield: No decision has been taken on that. There was some preliminary engagement with Autism CRC to discuss issues relating to different models of early childhood intervention and their level of readiness in terms of being able to translate from research into a potential pilot, and with Telethon Kids because they are associated with the WA pilot that the NDIA is leading on.

Senator ASKEW: Is that the linkages one?

Mr Mansfield: Yes. Inklings, I think it's called.

Senator ASKEW: Do you know if that has had an evaluation undertaken yet?

Mr Mansfield: I'm aware that there's an intention to build evaluation into the design of that particular pilot. It hasn't, to my knowledge, commenced yet. The work is happening between the NDIA and their partner around the development of that pilot and the approach to that pilot and, of course, working with the WA government. Certainly the intention with the two pilots that DSS will be leading on is that we will build evaluation in from the beginning.

Senator ASKEW: You mentioned earlier the \$3.7 million being provided for the co-design national consultation engagement process in the National Autism Strategy. Can you give me a bit of an update on that, including when consultation is likely to commence?

Mr Mansfield: Certainly. In terms of the progress to date, it was announced in February that a national autism oversight council would be established, and indeed that has now been established. The council has met twice now, and it, in its most recent meeting, heard from a survey process that sought to draw out the particular views of different parts of the autistic community and people with autism and some of the ways that they expected to be engaged as part of the national consultation process. The intention is that the consultation process will start later this calendar year. There is a co-design process around the consultation, and then that will come to the Oversight Council for consideration and ultimately decision by the minister around that consultation. The intention is that it will be a very broad based consultation, reaching all parts of Australia and particularly trying to ensure that it reaches those hardest to reach who may not have been consulted through other processes, particularly as part of the disability strategy or other processes around autism.

Senator ASKEW: You mentioned they heard from the survey process, was that somebody coming to give a presentation on types of things that could be done?

Mr Mansfield: Yes, it was. It was a piece of work that Autism CRC was commissioned to do. I can provide the detail of the level of engagement with the autistic community around it on notice. The presentation was delivered to the oversight council by three autistic people talking through the experience and approach that they took to that process.

Senator ASKEW: That would be really handy if you could provide that. That would be perfect. Moving to the \$1.2 million you mentioned with regard to the national roadmap. Where is that at, in relation to consultation?

Mr Mansfield: That particular initiative is being led out of the Department of Health and Aged Care, so it may be best to put questions on notice to that.

Senator ASKEW: Hold that one on for tomorrow? How does the national roadmap intersect with the national autism strategy?

Mr Mansfield: We're working very closely with the Department of Health and Aged Care. They have a senior representative who is on the oversight council for the National Autism Strategy. One of the working groups that will sit underneath the oversight council is focused on health and the roadmap. That working group, I understand, was established by health and has had its first meeting. The intention, as we develop the National Autism Strategy, is for it to be very closely linked with that work as well as the early-years strategy and indeed aspects of Australia's disability strategy.

Senator ASKEW: Seems a little strange that the National Autism Strategy is not providing the roadmap to improve health and mental health outcomes. It seems a bit disjointed to have it across two departments but as long as there is that close link and working together.

Mr Mansfield: There absolutely is and part of the focus, as I understand it, around the national roadmap is that there's a lot of involvement of lots of different colleges and other sort of bespoke peculiarities of the health system. The intent of developing the roadmap being led out of the department of health is to ensure that all of that consultation is done and draws in all of the right parts of the health system so that there's a whole-of-system look at the services and supports that are delivered to people with autism.

Senator ASKEW: Members of the National Autism Strategy's oversight council were selected through an open expression of interest process which closed in March. When did the EOIs open?

Mr Mansfield: I should know that in terms of the date, but I may need to take on notice the specific date. You are right that the process was run by the autistic community itself. It was during March and April. I'll take on notice the specific date. It was conducted by a number of disability representative organisations and others in the autistic community and sector. They ran their own nomination process and put forward nominations for consideration by the minister, the minister chose from the list that was provided by the autistic community and now we have eight autistic community members on that oversight council, two researchers and six Australian government officials. One of the co-chairs is autistic, and I am the other co-chair.

Senator ASKEW: That's interesting. This might be something else you'll need to take on notice, especially if it was run independently, but how and where were they advertised? How were they managed, and how many expressions of interest were received? Could I get a summary of what happened in the process?

Mr Mansfield: I'll take the details on notice.

Senator ASKEW: And then who made the final decision on the successful members? How was that applied, if there was more—

Mr Mansfield: The final decision was made by the Minister for Families and Social Services, Minister Rishworth. The advice provided to Minister Rishworth reflected the nominations that were put forward by the community. There was, if you like, a longlist of around 20 people—

Senator ASKEW: I was going to say, 'Was there a lot of interest?'

Mr Mansfield: There was a lot of interest. My understanding is that there were hundreds—from memory, there were 300-odd—but I'll take on notice the specific details.

Senator ASKEW: Please provide that. The next question I had was how many people with autism run the council. You've just answered that.

Mr Mansfield: It's eight from the autistic community and two researchers, and I'm aware that at least one of those researchers is also autistic. I'm not aware of the status of the government members.

Senator ASKEW: Are the members remunerated?

Mr Mansfield: They'll be remunerated for their time, yes, in accordance with the normal Remuneration Tribunal arrangements for sitting fees.

Senator ASKEW: Can you include the details of what that would be when you take it on notice regarding the others?

Mr Mansfield: I can.

Senator ASKEW: I think the rest of that we've covered. In relation to the development of the strategy, will autistic people, their families and their carers be invited to participate in that? How will that be happening, apart from the survey we talked about before?

Mr Mansfield: Absolutely. They will be involved in all of the consultations. We anticipate that many of the consultations will be led by autistic people, and we'll seek to draw in a very broad range of the diversity of the autistic community to ensure that the consultations are as broad based as possible and hear from the diversity of that community. We haven't yet set exactly the number of consultations, locations or that kind of detail. That will be developed through this co-design process that we're undertaking based on some of the research that I mentioned earlier that was presented to the oversight council.

Senator ASKEW: The when and where haven't been decided yet. Do you have a time frame in place or an idea of when the consultation is likely to begin? When is it due to be completed? It's in train?

Mr Mansfield: In the second half of this year—I don't have an exact date. We're in the process of onboarding some logistical capabilities and supports through a procurement process. By that time, we're anticipating that the oversight council will have considered a proposed model, it will go to the minister for consideration and then the consultations will start pretty much immediately after that.

Senator ASKEW: When is it due to be completed?

Mr Mansfield: At this stage, we're anticipating that the consultations will conclude around December. We're open to the possibility that there may be some further consultations early next year. It will depend on how the consultations go. At this stage, the intent is that there will be a broad based consultation to draw out particular views, then those will go to the oversight council. There may be work done by the working groups underneath the

oversight council to explore those ideas. There will be then the development of the strategy itself and then a consultation process around the strategy.

Senator ASKEW: Excellent. You've done very well. That's the end of my questioning on autism. I have got a couple of other questions. It looks like I'm the only one keeping up [inaudible].

CHAIR: You are. Senator Steele-John put his questions on notice.

Senator ASKEW: Okay. I haven't got too many more. Mine are going to be more generally in outcome 3, particularly regarding coding errors. My first question is a very similar question to what we had earlier. What is the total expenditure of grants in this year's budget and across the forward estimates for annual items administered by DSS in outcome 3? It's a much broader question.

Mr Harvey: You can see that in our portfolio budget statement. I'd probably have to take away exactly what the number is, but you can see at page 61 that we spend, in the disability and carers space, \$1.673 billion on administered expenditure and in program 3.2 a further—I'm adding it up in my head—about \$180 million. That's not necessarily all on grants, but the majority of that will be on grants.

Senator ASKEW: Would you be able to provide, on notice, the annual breakdown for the next four years as well?

Mr Harvey: Yes.

Senator ASKEW: Turning to page 63, while you're there, comparing table 2.3.2 from the Department of Social Services PBS sees a reduction in total expenses for program 3.1. Can you explain that reduction? That's going from the 2022-23 October budget.

Ms Shannon: I believe that might be related to the decrease in the protected case load for disability employment services, but my colleague might be able to confirm that.

Senator ASKEW: This is under table 2.3.2, 'Program component expenses for outcome 3'. It has varied since the October 2022-23 budget.

Mr Harvey: Can you just take me to the numbers you're talking about.

Senator ASKEW: It's in program 3.1, Disability and carers. In the October 2022-23 budget, it was \$1,865,793, and now it's \$1,673,384.

Mr Harvey: You're asking about the 2022-23 expenditure year—

Senator ASKEW: Why the reduction?

Mr Harvey: which has gone from \$1.865 million in the last budget to \$1.748 million in this budget?

Senator ASKEW: Yes, and ongoing in the forwards as well, because there is a difference going forward.

Mr Harvey: The reason for the first one in 2022-23 will be some funds that have been moved forward. I'd need to dig out further details on that, but you can see some of that disclosed at page 62 of the portfolio budget statements. It's relatively stable in the 2023-24 budget. It's \$1.673 billion in 2023-24 and remains at about that level across the four years. Did you have a question about that?

Senator ASKEW: It was just what changes had brought that about. That was the main thing. If you could provide that. You said you'd need to dig into some extra—

Mr Harvey: Actually, I do know the answer to that. That will be in our disability employment services program. That's a demand driven program, and we've revised the expenditure estimates down.

Senator ASKEW: We might go into that area now, then. For the current year, the performance measure for disability employment services is the 'extent to which people with disability are supported to find and maintain employment through disability employment services', with the expected planned performance result 'at least 40 per cent of job placements sustained to 13 weeks'. According to the Social Services PBS, the expected performance result is 'partially on track'. How many people with a disability are currently seeking employment through disability employment services?

Ms Shannon: The current case load is approximately 274,000 people in the disability employment services program.

Senator ASKEW: And what percentage of job placements are currently sustaining to the 13 weeks?

Ms Shannon: As you indicated, there are a number of different measures. Job placements sustained to 13 weeks in 2021-22 was 44 per cent, so the target was met.

Senator ASKEW: Have you got the year-to-date figure for this year?

Ms Shannon: No. That's still under calculation.

Ms Chatham: Yes. We'd have to take that on notice.

Senator ASKEW: If you could, that would be great. How many weeks, on average, are DES jobseekers remaining in their job placements?

Ms Shannon: We would have to take that on notice. The way that the program works is providers receive outcome payments based on employment that's sustained to 13 weeks, 26 weeks or 52 weeks. Most of the data that we would capture in the administrative system is really based around those payments. But we can take on notice whether or not we're able to provide further detail.

Senator ASKEW: If you could give us, say, the last three or four years of that at the same time, that would be great. How many Australians are using disability management services and employment support services—the two?

Ms Shannon: That's right: there are two subprograms in the DES program. As I indicated earlier—I rounded up the total—the total figure for the whole program is 273,611 participants. Of those, 112,900 people participate in disability management services, DMS, and for the employment support service, ESS, the other component of the program, it's 160,711 participants.

Senator ASKEW: What appropriation was provided in the budget over the forward estimates for DMS?

Ms Chatham: I don't have the breakdown by the two subcomponents. I'll have to take that on notice.

Senator ASKEW: If you could take it on notice for each of the years of the forwards as well, that would be great. Since February 2023, have any disability employment services had their funding cut or terminated due to noncompliance?

Mr Griggs: I think the answer is no, but if it's not, we will provide it on notice.

Senator ASKEW: If there are any, please provide the details around that—what the noncompliance was, the number of participants that would be affected and the alternative arrangements that would be put in place. I'll move on to another one. On 9 December the Minister for Social Services announced an investigation into the disability employment services star ratings following a code error. Formal performance assessments based on star ratings and the publication of star ratings were also suspended. Could someone walk me through that and explain what happened.

Mr Griggs: I'd be glad to do that. As you said, on 9 December, the minister did announce the investigation. I became aware of this in late November. It was a historical code error. It had been in the code for a number of years. What was supposed to happen with the code was that it was supposed to retain only the data for rolling eight quarters. As it hit the ninth quarter the rating would then drop away and a new one would come in. The problem that was discovered was that it didn't drop off at the ninth quarter—or the 10th or the 11th. Over the course of a number of years it had a cumulative effect on some providers. For some who may have started below the curve, if you like, and had improved, their improvement was dampened because the old data was still there and not dropping off. Conversely, if you'd started high and your performance deteriorated over time, that deterioration was dampened, because the previous high data was still there.

The issue of course in August was that as part of the formal performance assessment we had cut from the program 215 services that we thought to be the poorest-performing organisations or services within the program. We then did a couple of pieces of work on understanding what had happened and also a quite rigorous technical evaluation of the code itself so that we could understand the extent of the problem.

Senator ASKEW: How was it discovered?

Mr Griggs: That's one of the pieces of work that is still under consideration, so I'd prefer if we didn't go there, if that's alright.

Senator ASKEW: That's alright. So, there's an investigation going on, on understanding—

Mr Griggs: We're still considering the outcome of the investigation. But it resulted in 17 services relating to 15 providers who were discontinued but shouldn't have been. They shouldn't have been in scope for the process. What we've tried to do since December is maintain a very open discussion with the providers. I had a meeting with providers on 12 December and explained the coding error. We updated them again in February, and we updated them again in early May. We have rebuilt the star ratings.

Senator ASKEW: Yes, I was going to ask if it had been corrected.

Mr Griggs: The star ratings have been rebuilt, and individual providers have been provided with their rebuilt information. And then as recently as 23 May last week we had another industry briefing where I spoke to the providers. We also got the team that was doing the coding work, to understand the code, to explain in more detail

to the providers what had occurred. Our next steps are to work with those providers that were adversely impacted by this and work through each individual provider's circumstances.

Senator ASKEW: When it was first discovered, how was it actually communicated to them? Were they all notified individually?

Mr Griggs: I think there was a letter sent out to all providers, and then on 12 December we had that briefing where we—

Senator ASKEW: So, the first they knew about it was 12 December?

Mr Griggs: I think they knew—there was a letter before the briefing—

Ms Shannon: So, 9 December.

Mr Griggs: Yes, 9 December.

Senator ASKEW: So, 9 December was the first time they knew about it.

Mr Griggs: Yes.

Senator ASKEW: You were talking about working through each of them with the individual circumstances. Will compensation be available to them?

Mr Griggs: We'll work through the issues with each of the providers.

Senator ASKEW: We're nearly there. Thank you very much for that. I have just a couple of other quick questions. The former government released a new Australian Public Service employment strategy to make people with a disability a mainstream part of the APS culture. Can you provide an update on the success of that strategy?

Mr Griggs: Mr Hetherington probably can.

Mr Hetherington: I can. The strategy is owned by the Australian Public Service Commission, so they're best placed to give you an update on how the implementation of that strategy is playing out across the whole of government. In terms of our own success, let me get some stats up for you. We're currently tracking at about 6.6 per cent of our employees identifying as having a disability, which is ahead of the APS average of about 4.9 per cent. I'd note in that figure that it's common practice for people not to necessarily disclose whether they have a disability or not, so it could be higher than that. I think we do see higher numbers through the anonymous APS census. So it's broadly trending in the right direction, but I'd say we, like everybody else, still have a lot of work to do in this space—in particular, around reasonable adjustment and assistive technology. It's an area that we're really focused on.

Senator ASKEW: That's good to hear. This might be one that you want to take on notice. What's the total expenditure of grants in this year's budget and across the forward estimates for programs with DSS in outcome 3, with an annual breakdown for the forwards?

Mr Hetherington: We might take that on notice.

Mr Griggs: Given that it crosses a number of parameters—

Senator ASKEW: Yes, it will. That's right.

Mr Griggs: we'll take that on notice.

Senator ASKEW: Also, how many grant programs are administered in DSS within outcome 3? Could you take that one on notice? We're on the home run. In October the government announced it would open consultation on modernising the Disability Services Act 1986, seeking to put people with disability and their views at the centre of policy design. That was a media release from the minister. Could you provide an update on this consultation process and the work underway to strengthen employment services for Australians with a disability?

Mr Griggs: Mr Mansfield will take that one.

Mr Mansfield: There has been a public consultation on potential changes to the Disability Services Act, which was conducted from November 2022 to February 2023 and received almost 200 responses, including written submissions and responses to a survey. There were 255 individuals that attended online seminars targeted at organisations who received funding from the department that relates to the Disability Services Act. You're right to point out that Disability Employment Services is one of the services that are covered under that act, in addition to things like advocacy services, for example. In terms of decision-making around the future design of the act, we're continuing to work on the development of a draft bill, and matters around timing and next steps associated with that are a matter for government.

Senator ASKEW: I was going to ask whether you have a time frame on that, but you may not have that.

Mr Mansfield: That's a matter for government.

Senator ASKEW: That's fine. Minister, you haven't got any update?

Senator Ayres: I don't have any further updates, no.

Senator ASKEW: If there is anything that you can provide on notice, I'd appreciate that.

Senator Ayres: Of course.

Senator ASKEW: DES has been extended for an additional two years. Could you provide an update on the status of DES reform?

Ms Shannon: In the first instance, I can give you an update on the number of providers that have accepted that extension of the grant agreement. We have 93 DES providers that have accepted the offer and three that have declined.

Senator ASKEW: Do we know why they declined?

Ms Shannon: I think that would be individual to the circumstances of each organisation. It's quite a small number overall. I think it's fair to say that the next key focus is really around lifting the quality of the services that are currently delivered, and perhaps Ms Chatham can talk a bit about the consultations that have been conducted in terms of the new quality framework.

Mr Griggs: Minister Rishworth is incredibly focused on quality uplift in the program.

Ms Chatham: As Ms Shannon said, the minister announced a phased reform, with the first phase being focused on the new quality framework. We had a draft consultation paper that was out from 19 December to 31 March, and we received 61 separate submissions in response to that. They were from DES providers and their peak bodies and from individuals, disability representative organisations and disability stakeholders more generally. We're just in the process of going through all of that feedback and summarising it, and then we'll be going out in June for some more detailed consultation on some options for the new quality framework and the measures that will sit under it.

Senator ASKEW: What consultation has already taken place? Obviously you've done the surveys. Is that the extent of consultation to date? There haven't been round tables, meetings or anything yet? Will that come in the next phase?

Ms Chatham: That will come in the next phase, yes. There's been a lot of regular engagement with providers and with DROs in the course of events and our normal relationships where we have talked about the quality framework and quality measures, but there has been nothing formal like round tables and things like that.

Senator ASKEW: What is the time frame for the outcome?

Ms Chatham: We're looking at commencing from 1 July. We are needing it to be a bit of a phased-in transition, recognising that—

Senator ASKEW: That's only few weeks away. I just realised that.

Ms Chatham: We know, yes. But recognising the impact on both providers and participants, we'll need to phase that in.

Senator ASKEW: Who's managing it? Is it being managed within the department?

Ms Shannon: Yes.

Senator ASKEW: So they will look after engagement. Once you've got a plan in place, would you be able to provide that on notice, with regard to what the consultation will look like going forward?

Ms Shannon: We can do that, yes.

Senator ASKEW: I will leave it there, Chair, and put the rest of my questions on notice.

CHAIR: That concludes today's hearing. Thank you to all witnesses who appeared and to Hansard and broadcasting for your assistance today. I remind senators that the committee has agreed that any written questions on notice should be lodged with the secretariat by Friday 16 June 2023 and that answers to questions on notice are due by Friday 14 July 2023. Thank you for your participation in our inquiries and hearing today. Drive safe. Go well. See you soon. The committee is adjourned.

Committee adjourned at 22:37

OAIC - FOI

From: GHALI,Sarah
Sent: Tuesday, 20 June 2023 4:59 PM
To: HAMPTON,Elizabeth (Inactive)
Cc: DRAYTON,Melanie; CASTALDI,Andre; WESTON, Diana (LEAVE); BILAC,Nicole; MCPHEE,Emily
Subject: Senate Estimates - Services Australia - 31 May 2023 [SEC=OFFICIAL]
Attachments: Further information about Celebrite.docx; Community Affairs Legislation Committee transcript - 31 May 2023.pdf

Hi Libby

Please see below the summary of **Services Australia's** Estimates appearance and some additional information attached, prepared by Nicole and Emily.

My thanks to Nicole and Emily for their helpful summary and careful extraction of the key issues of interest.

Sarah

From: BILAC,Nicole <Nicole.Bilac@oaic.gov.au>
Sent: Monday, June 19, 2023 1:21 PM
To: WESTON,Diana <Diana.Weston@oaic.gov.au>
Cc: MCPHEE,Emily <Emily.McPhee@oaic.gov.au>
Subject: Senate Estimates - Services Australia - 31 May 2023 [SEC=OFFICIAL]

Hi Diana

I have reviewed the transcript for **Services Australia's** appearance before the Community Affairs Legislation Committee on Wednesday 31 May 2023 2023, pages 1-60 of the attached transcript.

Please see a summary of the relevant matters discussed below.

Services Australia (the Agency)

Committee: Community Affairs Legislation Committee

Time: Wednesday 31 May 2023 9:05am – 3:33pm.

Appearing:

Hon. Don Farrell, Special Minister of State and Minister for Trade and Tourism (representing the Minister for Social Services)

Rebecca Skinner PSM, Chief Executive Officer of Services Australia

Mr Chris Birrer, Deputy Chief Executive Officer, Royal Commission Response Team; and Acting Deputy Chief Executive Officer, Payments and Integrity

Ray Griggs AO CFC, Secretary of the Department of Social Services

Ms Cathy Toze, General Manager, Indigenous, Tailored Programs and Income Management

Mr Jonathon Thorpe, Acting Deputy Chief Executive Officer, Customer Service Design

(Please see attached transcript for the full list)

Senators asking about the issues: Senators Brockman, Rice and Urquhart.

Issues:**MyGov**

- Senator Farrell in his opening statement advised that the government is investing \$134.5 million in myGov infrastructure, including \$120.1 million in 2023-24, to ensure that it remains secure and easy to use. This investment will also support the new myGov app, including the addition of digital credentials.

PwC

- Senator Rice sought information about the operational review of the Robodebt scheme undertaken by PwC in 2017. Senator Rice expressed concerns that PwC were paid \$1 million to conduct a review which only delivered a PowerPoint presentation for the Minister for Government Services and no report. PwC also did not identify any legality issues with the Robodebt scheme in their review. Based on this information, Senator Rice asked whether there had been any assessment on the use of PwC in further contracts by Services Australia?
 - Ms Skinner responded stating that Services Australia has two current contracts with PwC and that they are under review.
- Senator Rice asked whether the PwC tax scandal will influence Services Australia’s willingness to use PwC in the future.
 - Ms Skinner responded stating that Services Australia will follow the requirements set out by the Department of Finance when evaluating contract bids.
- Senator Rice asked what Services Australia are doing to protect information being handled by contractors, given the PwC scandal.
 - Ms Skinner responded stating that Services Australia are not doing anything specific, however, more broadly, they have centralised procurement so that it now sits in one area under the Chief Financial Officer. This will ensure consistency in the application of the measures introduced by the Department of Finance.

APS Code of Conduct investigation – information management

- Senator Urquhart sought further information about the APS Code of Conduct investigation that was discussed during the last round of Senate estimates. Senator Urquhart asked Ms Skinner to confirm whether two of Senator Reynolds’ former ministerial staff were investigated over their conduct in her ministerial office when she was Minister for Government Services.
 - Ms Skinner did not want to confirm the number of people involved as it is a small office and she wanted to manage everyone’s privacy.
 - Ms Skinner confirmed that the matters related to information management.
- Senator Urquhart asked Ms Skinner to confirm whether “in the days after the 2022 federal election, when Senator Reynolds and her Liberal Party colleagues were voted out and she was packing up her ministerial offices, Services Australia detected that Senator Reynolds's office was transferring a large volume of data off the government network”.
 - Ms Skinner refused to answer any further questions on the matter, only stating that the investigations related to improper information management.

Use of spyware – Cellebrite

- Senator Rice referenced Services Australia’s use of Israeli spyware technology, Cellebrite, which allows cracking into smartphones and copying all data. Services Australia only uses the technology for serious noncompliance.
- Senator Rice asked for:
 - a list of all agencies that that Services Australia are sharing the use of Cellebrite with and what other similar technologies they are using
 - if there is a standard process for communicating with people that these spyware technologies are going to be used in their phone and that there is a potential that all of the data on their phone is going to be copied
 - what kind of metadata is requested or is gathered using Cellebrite
 - how long collected data is stored for
 - where it is stored, and who has access to it
 - If they have a deletion policy
 All of these questions were taken on notice.
- Further information has been included in the **attached document**.

Energy Price Relief Plan – disclosure of personal information to energy providers

- Senator Rice asked questions relating to Services Australia’s involvement in the Energy Price Relief Plan.
 - Mr Thorpe responded stating that Services Australia is supporting the measure by:

- Connecting energy providers with the Centrelink confirmation e-services. This ensures providers are able to check customer eligibility, with customer consent.
- Facilitating an online portal to enable customers to provide consent by contacting Services Australia and authorising their information to be disclosed to the provider.

Family and domestic violence pilot – disclosure of personal information to external organisations

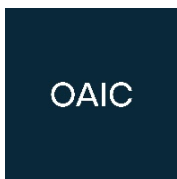
- Senator Brockman asked questions regarding the family and domestic violence pilot program.
 - Ms Toze advised that the pilot provides support to people who contact the agency in relation to child support and indicate that they have experienced family and domestic violence. The support includes an assessment of the individuals circumstances and may involve making referrals to external organisations when required.
 - The pilot also supports customers to make sure their child support arrangements are in place and ensure their details are updated throughout different programs in the agency to offer that further level of protection. For example, making sure their address is not visible to the partner.
 - It is a three year pilot.

Next steps: for noting only.

Please let me know if you need any further information.

Kind regards

Nicole



Nicole Bilac (she/her)
Policy Adviser
Office of the Australian Information Commissioner
Adelaide | GPO Box 5288 Sydney NSW 2001
P +61 2 9942 4234 E nicole.bilac@oaic.gov.au

The OAIC acknowledges Traditional Custodians of Country across Australia and their continuing connection to land, waters and communities. We pay our respect to First Nations people, cultures and Elders past and present.

[Subscribe to Information Matters](#)