

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mrs Lambley to the Minister for Territory Families

Pensioner & Carer Concession Scheme

1. What changes are you planning to make to the Pensioner & Carer Concession Scheme?

RESPONSE

On 10 July 2017 public consultations on the review of the NT Pensioner and Carer Concession Scheme (NTPCCS) commenced with the release of a discussion paper seeking public feedback on the Scheme. It is anticipated that the review will result in changes to the scheme to make it fairer, more accessible, less susceptible to fraud and easier to administer.

Government have committed to providing a concession of \$700 every two years for those seniors who have been unable to join the scheme since mean-tested eligibility was introduced in May 2014.

2. Will you be reducing the total funding allocation to the Pensioner & Carer Concession Scheme?

RESPONSE

The NTPCCS funding decrease of \$1M from the 2016-17 Estimates to 2017-18 Budget primarily includes:

- \$3M reduction of one-off funding for pensioner and carers concession scheme demand in 2016-17; and
- \$2.1M increase in additional Northern Territory Funding to provide seniors with a \$700 debit card every two years.

3. Will most seniors be entitled to more or less under the proposed changes to the Pensioner & Carer Concession Scheme?

RESPONSE

Still under consideration.

- Please list exactly which aspects of the Pensioner & Carer Concession Scheme will be changed and how they will be changed.

RESPONSE

No decisions have been made on changes to the existing Scheme. Government will consider feedback from the community consultation process in determining how to reform concessions in the future.

- How much did the Northern Territory Government spend of the Pensioner & Carer Concession Scheme in 2016/17?

RESPONSE – Questions 5-9

NTPCCS under Department of Health control until 2016-17

Year	2013-14	2014-15	2015-16	2016-17	2017-18
Data Source	Actual (DoH*)	Actual (DoH*)	Actual (DoH*)	YTD Expenditure 31 March 2017	Budget
Amount	\$28.351M	\$29.987M	**\$27.087M	\$20.592M	\$32.253M

* DoH Expenditure data extracted from Agency Annual Reports

** Changes to Accounting treatments in 2015-16 resulted in reduced expenditure reported. Actual benefits paid in 2015-16, excluding administrative costs, totalled \$29.6M.

- How much did the Northern Territory Government spend of the Pensioner & Carer Concession Scheme in 2015/16?
- How much did the Northern Territory Government spend of the Pensioner & Carer Concession Scheme in 2014/15?
- How much did the Northern Territory Government spend of the Pensioner & Carer Concession Scheme in 2013/14?
- What is the budget allocation for the Pensioner & Carer Concession Scheme in 2017/18?

RESPONSE – Questions 10-12

NTPCCS under Department of Health control until 2016-17

Year	2015	2016	2017
Data Source	Department of Health	Department of Health	1 June 2017
Full Time Equivalent	7.03 FTE	11.43 FTE	11.2 FTE

10. How many people are employed by the Northern Territory Government to manage the Pensioner & Carer Concession Scheme as of 1st June 2017?
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12. How many people are employed by the Northern Territory Government to manage the Pensioner & Carer Concession Scheme as of 1st June 2015?
13. Will any “changes” to the Pensioner & Carer Concession Scheme mean more or less staff employed to administrator the scheme?

RESPONSE

One of the intentions of the review of the Scheme is that administration is streamlined to ensure the government can invest the maximum amount into concessions for the future. This will be subject to the outcomes of the community consultation process that is currently underway.

14. The Pensioner & Carer Concession Scheme was managed by the Department of Housing, where is the Pensioner & Carer Concession Scheme team located and who do they report to?

RESPONSE

The NTPCCS moved from the Department of Health. Under Territory Families, NTPCCS sits in Corporate Services, reporting to the Chief Financial Officer. Four staff are located across three shopfronts situated in Casuarina, Palmerston and Alice Springs. The remaining staff are located in Darwin Plaza.

15. How much did Senior Territorians claim in electricity and water rebates through the Pensioner & Carer Concession Scheme in 2016/17?

RESPONSE – Questions 15-18

	2015-16	2016-17
	Full Year Benefits Paid	YTD 31 March Benefits Paid
Electricity	\$16.3 M	\$12.978 M
Water	\$4.2 M	\$3.366 M
Council Rates	\$1.8 M	\$1.636 M

16. How much did Senior Territorians claim in electricity and water rebates through the Pensioner & Carer Concession Scheme in 2015/16?
17. How much did Senior Territorians claim in council rates rebates through the Pensioner & Carer Concession Scheme in 2016/17?
18. How much did Senior Territorians claim in council rates rebates through the Pensioner & Carer Concession Scheme in 2015/16?
19. Will there be changes to the travel entitlements? If so what will these changes be?

RESPONSE

No decisions have been made on changes to the existing Scheme. Government will consider feedback from the community consultation process in determining how to reform concessions in the future.

20. On the Northern Territory Government website you state: "The current scheme is complex, unfair and open to fraud and rorting"

- a. How exactly is the current system complex?

RESPONSE

The current Scheme is administratively complex for government and members. For example, members are required to apply for concessions with separate vendors. This has resulted in some members not accessing concessions they are entitled to.

- b. How exactly is the current system unfair?

RESPONSE

Due to the lack of a cap on certain concessions, such as electricity and water, there is an inequity in the level of concessions being paid across the membership of the scheme. In 2015-16, the top 100 users of the scheme claimed an average of \$6 545, while the bottom 100 users claimed an average of \$26. More than 5 000 members did not make a claim at all.

There is a disparity between what homeowners and non-homeowners can claim under the current Scheme. Homeowners are able to claim concessions for property rates, water, sewerage and garbage charges and therefore receive a larger proportion of concessions than non-homeowners.

People that live in rural and remote areas are at a disadvantage under the current Scheme because many of the types of concessions, and vendors, do not apply to them and so they receive less benefit from the scheme.

- c. How exactly is the current system open to fraud and rorting?

RESPONSE

The results of recent legal actions against certain vendors, particularly travel agents, have demonstrated that the current Scheme is open to fraud.

Rorting can be defined as taking unfair advantage and, while not technically illegal, means that some people end up with more than their fair share of concession money (as referred to in part b of the question above).

- d. How will your changes to the Pensioner & Carer Concession Scheme make the system less complex?

RESPONSE

No decisions have been made on changes to the existing Scheme. Government will consider feedback from the community consultation process in determining how to reform concessions in the future.

- e. How will your changes to the Pensioner & Carer Concession Scheme make the system fairer?

RESPONSE

No decisions have been made on changes to the existing Scheme. Government will consider feedback from the community consultation process in determining how to reform concessions in the future.

- f. How will your changes to the Pensioner & Carer Concession Scheme make the system less open to fraud and roting?

RESPONSE

No decisions have been made on changes to the existing Scheme. Government will consider feedback from the community consultation process in determining how to reform concessions in the future.

- g. Can you guarantee the “new scheme will be introduced on 1 January 2018”?

RESPONSE

It is anticipated that changes to the scheme will be introduced on 1 January 2018, however, this is dependent on the outcomes of the public consultation process that may affect the timing of implementation.

21. All senior Territorians aged 65 years and over will receive a minimum of \$700 every two years.

- a. Please provide details of how “all senior Territorians aged 65 years and over will receive a minimum of \$700 every two years”?

RESPONSE

Government have committed to providing a concession of \$700 every two years for those seniors who have been unable to join the scheme since mean-tested eligibility was introduced in May 2014.

- b. How much do most Pensioners and Carers currently receive from the Pensioner & Carer Concession Scheme every 2 years?

RESPONSE

There is no average Scheme member, all members receive varying amounts and entitlements. The median concession provided was \$1 216 in 2015-16.

- c. Which seniors of 75 years of age will receive more than \$700 every 2 years from the Pensioner & Carer Concession Scheme?

RESPONSE

No decisions have been made on changes to the existing Scheme. Government will consider feedback from the community consultation process in determining how to reform concessions in the future.

- d. Will some seniors of 75 years of age receive less than \$700 every 2 years from the Pensioner & Carer Concession Scheme?

RESPONSE

No, all people aged 65 years and over will receive \$700 every two years as committed by Government.

- e. When exactly will the discussion paper be released for the community consultation?

RESPONSE

The discussion paper was released on 10 July 2017.

- f. How will this discussion paper be made available to seniors?

RESPONSE

The discussion paper ~~is~~ ~~be~~ available online through the following website haveyoursay.nt.gov.au/concessions. Copies can be printed from the website.

22. Please provide details of the community consultations.

- a. When will the community consultations occur?

RESPONSE

During July and August 2017.

- b. Where will the community consultations occur?

RESPONSE

Community forums are planned in Darwin, Palmerston, Darwin Rural, Katherine, Tennant Creek and Alice Springs. Planning is underway for a forum in Nhulunbuy.

c. What process of community consultations will be used?

RESPONSE

Consultation will occur face to face through community forums and meetings, on-line via information and surveys on the website and through the Territory Families service network.

d. Who exactly will be consulted?

RESPONSE

All interested members of the public will have the opportunity to provide feedback through community forums, on-line through the website and the Territory Families service network.

e. What community organisations will be consulted?

RESPONSE

Seniors and carers organisations, including Council on the Ageing NT, National Seniors Australia, NT Carers and NT Council of Social Services.

f. How will the feedback from these consultations be collated and used?

RESPONSE

Feedback from the consultation –will be recorded and analysed. A consultation report will be drafted and made publicly available on-line after the consultation period.

23. At the moment senior Territorians feel confused and concerned by the lack detail in these proposed changes to the PCCS. What are you currently doing to ease the worry and concern of these people?

RESPONSE

As outlined in Question 22, the Northern Territory Government is working with seniors organisations to inform and consult with seniors and other members of the community about the review of the concession scheme during July and August 2017.
