

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

BN Rent The Roo

Where are you located?

QLD

Are you urban (major city) / regional (city or town) / rural / remote?

Regional

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

No

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

We believe so.

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

We believe so and can not identify a gap as long as Household Rental/Consumer Leases fall into that category.

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

Not that we can identify or that is a concern to our organisation.

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

We believe so.

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

Contracts being entered into should all fall under and be regulated by fair lending laws/National Consumer Credit Protection Act 2009 so should be fair and just before having CenterPay deductions set up. We can't see any need for another layer of restrictions to be added when it comes to consumer lease/rentals.

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

Rental/Consumer Lease regulation set out by the ACCC and ASIC have guidelines we can not exceed 10% of the customers total gross income to put towards rentals. I would hope that all sectors would have similar regulations to fairly protect the customer.

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Yes for accuracy and to make the set up easier for our customers. Yes with the note that we continue to follow the same approval guidelines that are currently in place.

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

From the point of view of the Consumer Lease/Rental sector, No. Doing this may result in more customers potentially defaulting or falling behind of contractual agreements/debts owed.

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

No suggestions.

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

From what we can see, yes and it is clearly stated to customers that they can change or cancel their Centerpay deductions at anytime and are given the website to find further information.

CUSTOMER EXPERIENCE

What types of information would better support customers to understand and manage their own Centrepay arrangements?

A note (sms) could be sent to customers when they make a change.
e.g. A customer has a rental with us and their contract states that they need to make an instalment of \$30 a fortnight to rent a fridge. If they skip or reduce an instalment it would be good for them to receive a text message stating that their Centerpay deduction has been amended/lowered or skipped and that a note would be sent to the company to advise. We feel this would assist with customers being accountable to the personal financial implications of cancelling or skipping debts.

How can the agency, and registered Centrepay businesses, better support customers when things go wrong?

Communication. We currently text and call customers when we are notified of unauthorised changes to their instalments/Centrepay deductions.

What are the specific cultural, geographic and language barriers impact customers' ability to use Centrepay?

Internet connection or ability to have access.
Learning difficulties such as dyslexia or academic delay or someone who is illiterate.

What improvements could be made to the complaints management process for Centrepay customers?

No suggestions

How can we better advertise and communicate the channels and avenues through which complaints can be made?

No suggestions

Are there any known barriers or perceived issues that are impacting on a customer's ability or willingness to raise concerns with the agency in relation to their Centrepay arrangements?

Not that we are aware of.

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

Not that we are aware of.

What community expectations could be incorporated into assessing Centrepay registered businesses?

Nothing that we are aware of.

What risk factors should the agency consider in assessing a business for Centrepay registration?

Nothing that we are aware of except that there are guidelines that are mandatory, must be followed.

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

None extra that would impact the Consumer Lease/Rental business and the agreements we have with our customers or the process we follow.

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

No suggestions

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

No suggestions

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

No suggestions

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

No suggestions

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

A text/sms to customer advising. We have internal processes which prevent this from occurring but in the very rare chance this occurs we promptly contact the customer and keep extensive records on attempts to contact to correct the issue as promptly as possible.

How would customers prefer to be notified about overpayments?

In most cases a call and failing that, text or email.

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

No suggestions

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

Potentially a yearly consultation/engagement survey such as this to give businesses the opportunity to review/improve the Centerpay service option.

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Department for Education, Children and Young People

Where are you located?

TAS

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

No

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

yes

DEDUCTION ARRANGEMENT

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Yes we find that there are more errors when customers load the plan themselves. If the forms are completed across our various locations and sent to a central location for loading

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

we dont have any issues as customers currently contact us in the event of an overpayment and this is refunded via the school

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Yaandina Community Service

Where are you located?

WA

Are you urban (major city) / regional (city or town) / rural / remote?

Remote

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

No

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

The above reform sounds like it will benefit customers and stakeholders

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

In my opinion I think the list for the reform should cover all the required services needed by a client to assist them to be financially secure or assisted

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

Recreational should be a little more specific

What criteria should be used to consider whether to include or exclude any goods or services?

To ensure the basic needs for the client have been met

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

The deduction types are suited to the needs of our organisation to assist with payments

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

As long as the customer has enough money to buy essentials

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

Our service takes deductions into account and then requires 80% of income.

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Yes

With correct authority

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

Unsure

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

Ensuring clients needs are met and they understand what the deductions are for, and correct authority is maintained in a confidential manner

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

For our services needs, it does

CUSTOMER EXPERIENCE

What types of information would better support customers to understand and manage their own Centrepay arrangements?

Unsure. I always explain to clients thoroughly and read through paperwork with them, asking if they have any questions along the way

How can the agency, and registered Centrepay businesses, better support customers when things go wrong?

Advocacy and being pro active

What are the specific cultural, geographic and language barriers impact customers' ability to use Centrepay?

Remote area clients we see have some literacy issues, that can sometimes confuse or frustrate them

What improvements could be made to the complaints management process for Centrepay customers?

I have not had to access this service area

How can we better advertise and communicate the channels and avenues through which complaints can be made?

Unsure - I have not had any complaints to make

Are there any known barriers or perceived issues that are impacting on a customer's ability or willingness to raise concerns with the agency in relation to their Centrepay arrangements?

I have not encountered this with my clients

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

no

What community expectations could be incorporated into assessing Centrepay registered businesses?

Confidentiality, trustworthy and accurate records

What risk factors should the agency consider in assessing a business for Centrepay registration?

Reputation, values and missions, policies and reliability

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

Unsure

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

Excessive use or use not in accordance with guidelines

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

Unsure....

Our service are definately requires Centrepay to assist with payments for board, lodgings and treatment

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

Regular audits

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

Website updates, and notices

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

Refunds and how they will be paid back

How would customers prefer to be notified about overpayments?

phone, txt or email depending on their preference

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

Unsure

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

Engaging stakeholders, clients and public is sufficient

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Rent The Roo Pty Ltd

Where are you located?

TAS

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

Yes

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

Yes, the critical areas for reform outlined reflect a proactive approach to addressing the evolving needs of customers and stakeholders in the context of Centrepay. Here's how each area aligns with these needs:

1. Safeguards and protections for customers: This addresses the crucial need to protect customers from financial harm, ensuring they are not exploited or misled by businesses using Centrepay.
2. Ensuring the right products and services are available through Centrepay: This focuses on ensuring that the products and services available through Centrepay are beneficial and appropriate for customers, aligning with their needs and circumstances.
3. Identifying high-risk products, services, and business practices: This is essential for mitigating risks associated with misuse or inappropriate use of Centrepay, thereby safeguarding customers

and maintaining the program's integrity.

4. Centrepay as a tool for customer financial empowerment: Recognizing Centrepay as a tool for empowerment underscores its potential to help customers manage their finances effectively, promoting self-sufficiency and independence.

5. Requirements and obligations for businesses using Centrepay: Establishing clear requirements and obligations ensures that businesses act responsibly when participating in Centrepay, enhancing accountability and trust.

6. Centrepay assurance framework: A structured assurance framework provides a mechanism to monitor and ensure compliance with program objectives, enhancing transparency and reliability for stakeholders.

7. Complaint and escalation pathways: Robust complaint and escalation pathways are crucial for addressing issues promptly, ensuring customer concerns are heard and resolved effectively, which is essential for maintaining trust and accountability.

In summary, these critical areas for reform demonstrate a proactive approach to addressing the evolving needs of customers and stakeholders by focusing on protection, empowerment, accountability, and transparency within the Centrepay program. They aim to enhance the overall effectiveness and integrity of Centrepay while promoting positive outcomes for its users.

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

The current list of authorized goods and services for Centrepay covers a broad spectrum of essential needs and services that are crucial for individuals managing their finances while receiving government support. We have analyzed each category:

1. Accommodation: Includes rent, board, and bond, which are fundamental expenses for maintaining stable housing.

2. Education and Employment: Covers education expenses from registered providers and employment-related costs, supporting individuals in pursuing educational opportunities and securing employment.

3. Financial Products: Includes low or special interest loans, insurance premiums, and savings program deposits, promoting financial inclusion and stability.

4. Health: Addresses medical equipment and services costs, ensuring access to necessary healthcare support.

5. Household: The inclusion of household items in Centrepay, which encompasses necessities like food, clothing, and footwear, as well as regulated lease/hire/rent-to-buy options for household goods, plays a crucial role in promoting equality and enhancing the sense of self-worth among individuals who may face financial constraints.

a) Basic Necessities: Providing access to essential items such as food, clothing, and footwear ensures that individuals can meet their basic needs. This is particularly important for those relying on government support, as it helps maintain dignity and basic standards of living.

b) Affordability and Accessibility: Including regulated lease/hire/rent-to-buy options for household goods addresses affordability challenges. Many individuals may not have the financial means to purchase items outright, especially expensive or durable goods like furniture and

appliances. These options allow them to acquire necessary items gradually, spreading out costs over time.

c) Promoting Equality: By facilitating access to essential household items through Centrepay, the program helps reduce disparities and promotes equality. It ensures that individuals facing financial hardship can access the same necessities as others, fostering a sense of equity and fairness.

d) Sense of Self-Worth: Access to basic household items not only meets practical needs but also contributes to individuals' sense of self-worth and dignity. Having a stable living environment with necessary furnishings and household goods can enhance well-being and contribute to a positive self-image.

e) Financial Empowerment: Utilizing Centrepay for household items empowers individuals to manage their finances responsibly. It encourages budgeting and financial planning while providing options that are aligned with their financial capabilities.

In essence, including household items in Centrepay supports individuals in maintaining a decent standard of living, promotes financial stability, and reinforces a sense of equality and self-worth. This aspect of the program acknowledges and addresses the diverse needs of its users, aiming to support their overall well-being and quality of life.

6. Legal and Professional Services: Covers expenses related to legal and professional matters, ensuring access to essential services for legal and personal support.

7. Social and Recreational: Includes expenses related to community, social, and recreational participation, supporting well-being and social engagement.

8. Travel and Transport: Covers on-road vehicle expenses, general transportation, and furniture removal and storage costs, facilitating mobility and logistical needs.

9. Utilities: Covers utilities from private, State, and Territory providers, along with local council services, ensuring access to essential services like electricity, water, and waste management.

This comprehensive list reflects a holistic approach to supporting individuals receiving government benefits through Centrepay. It addresses essential living expenses, financial stability, health care, legal support, social engagement, and mobility needs. By encompassing these categories, Centrepay looks to be facilitating responsible financial management and support the overall well-being of its users.

However, the relevance and adequacy of the list may evolve over time as societal needs and economic conditions change. Regular reviews and adjustments to the list may be necessary to ensure it remains responsive to the current needs of customers and stakeholders.

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

No, we don't believe so.

What criteria should be used to consider whether to include or exclude any goods or services?

When considering whether to include or exclude goods or services from a program like Centrepay, the following criteria should be evaluated to ensure they enable individuals to meet their needs and maintain a sense of independence:

1. Essential Needs: Evaluate whether the goods or services fulfill essential needs such as food,

shelter, clothing, health care, education, and utilities. These are fundamental to maintaining a basic standard of living and promoting well-being.

2. **Financial Stability:** Assess whether the inclusion of goods or services supports financial stability and responsible budgeting. This includes items that help individuals manage their finances effectively over time, such as low-cost financial products or budgeting tools.

3. **Dignity and Self-Worth:** Consider whether access to the goods or services enhances individuals' dignity and sense of self-worth. This can include items that contribute to personal hygiene, appearance, and social integration, which are essential for psychological well-being.

4. **Independence and Empowerment:** Determine whether the goods or services promote independence and empowerment. This involves supporting individuals in making informed choices, fostering self-sufficiency, and enabling them to participate fully in society.

5. **Equality and Inclusion:** Ensure that the inclusion criteria promote equality and inclusion, providing equitable access to goods and services regardless of socioeconomic status, background, or circumstances.

6. **Feedback and Stakeholder Input:** Seek input from stakeholders, including program participants, advocacy groups, and experts in relevant fields, to understand community needs and preferences. This helps ensure that the program remains responsive and relevant.

7. **Cost-Effectiveness:** Evaluate the cost-effectiveness of including goods or services in the program. This involves considering the impact on program resources and sustainability, balancing the benefits to participants with the overall program goals.

8. **Regulatory Compliance:** Ensure that any goods or services included in the program comply with relevant regulations and standards, particularly concerning consumer protection and financial services.

By applying these criteria, program administrators can make informed decisions about which goods and services to include in Centrepay, ensuring that the program effectively supports individuals in meeting their needs while promoting independence, dignity, and financial stability.

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

Yes, these are flexible enough and do enable customers to make their own decisions independently.

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

The question of whether there should be restrictions on the types of deductions (i.e., ongoing deductions and amounts) that can be established for specific goods and services through programs like Centrepay involves balancing the following considerations:

1. **Consumer Protection:** Ensuring that deductions are fair, transparent, and aligned with the needs and preferences of program participants. Restrictions may be necessary to prevent exploitation or unfair practices by businesses who are not doing the right thing by their relevant rules and regulations.

2. Financial Management: Allowing flexibility in deduction types and amounts can empower individuals to manage their finances effectively, accommodating different financial situations and needs.
3. Regulatory Compliance: Businesses involved in Centrepay must adhere to relevant laws and regulations regarding consumer rights, financial services, and fair trading practices. Clear guidelines and oversight are crucial to ensure compliance, rewarding those who are doing the right thing, and acting on those who aren't.
4. Equity and Accessibility: Restrictions should consider promoting equitable access to essential goods and services while preventing excessive or unjustifiable deductions that could impact financial stability negatively.
5. Feedback and Evaluation: Regular evaluation and feedback mechanisms are essential to monitor the impact of deductions on program participants and adjust restrictions as needed.

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

No, we don't believe this is necessary as all customers needs and objectives are different and there needs to be flexibility to account for such.

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Yes, absolutely.

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

No, we don't believe this is necessary, but perhaps this could be considered as a consequence to those businesses who are found to be doing the wrong thing and not abiding by their specific rules and regulations (for example the NCCP).

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

Currently, customers can easily terminate their deductions to any business, aiming to foster financial independence. However, this ease of termination can lead to long-term financial harm, especially when customers cancel commitments to switch to another service, resulting in prolonged financial difficulties. Customers should undergo additional steps to cancel existing commitments, and Centrepay should collaborate with businesses to establish commitment durations for customers.

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

Yes it does.

CUSTOMER EXPERIENCE

What types of information would better support customers to understand and manage their own Centrepay arrangements?

Customer Rights and Protections: Information about consumer rights and protections when using Centrepay, including how to resolve disputes or seek assistance if issues arise.

Feedback and Support Channels: Clear channels for providing feedback, raising concerns, or seeking assistance related to Centrepay arrangements, including customer support contact details.

Case Studies and Examples: Real-life examples of how others have successfully managed their Centrepay arrangements, demonstrating best practices and potential pitfalls to avoid.

How can the agency, and registered Centrepay businesses, better support customers when things go wrong?

To better support customers when issues arise with Centrepay arrangements, both the agency managing Centrepay and registered businesses can implement the following measures:

1. **Clear Communication Channels:** Ensure there are clear and accessible channels for customers to reach out for assistance or to report issues. This could include dedicated phone lines, email addresses, and online portals with responsive customer service.
2. **Prompt Response Times:** Commit to prompt responses to customer inquiries and complaints.
3. **Complaint Handling Procedures:** Develop robust procedures for handling customer complaints and disputes. Ensure that complaints are documented, escalated as necessary, and resolved fairly and transparently.
4. **Customer Support and Guidance:** Provide personalized support and guidance to customers facing difficulties with their Centrepay arrangements. This could involve offering financial counselling, referrals to support services, or guidance on navigating dispute resolution processes.
5. **Education and Information:** Continuously educate customers about their rights, responsibilities, and available resources. Provide clear information on how to rectify common issues and prevent future problems.
6. **Mediation and Dispute Resolution:** Offer mediation services or access to an impartial mediator to help resolve disputes between customers and registered businesses.
7. **Transparency and Accountability:** Ensure transparency in how issues are handled and resolved. Maintain accountability by documenting actions taken and outcomes achieved.
8. **Continuous Improvement:** Regularly review and improve customer support processes based on feedback and performance metrics. Use customer feedback to identify areas for enhancement and implement necessary changes.
9. **Collaboration with Stakeholders:** Collaborate closely with stakeholders, to ensure that customer support practices align with industry best practices and regulatory requirements.
10. **Training for Staff and Businesses:** Provide training to customer service staff and registered businesses on handling customer issues effectively, empathetically, and in compliance with

Centrepay policies and regulations.

By implementing these measures, the agency managing Centrepay and registered businesses can demonstrate a commitment to customer care, enhance customer satisfaction, and foster trust in the Centrepay program as a reliable and supportive financial management tool.

What are the specific cultural, geographic and language barriers impact customers' ability to use Centrepay?

Several cultural, geographic, and language barriers can impact customers' ability to effectively use Centrepay:

1. Cultural Barriers:

o Understanding of Financial Systems: Different cultural backgrounds may have varying levels of familiarity with formal financial systems, which can affect how customers understand and navigate Centrepay.

o Attitudes Towards Debt and Credit: Cultural attitudes towards debt, savings, and financial obligations can influence how individuals perceive and utilize Centrepay services.

o Trust and Confidence: Cultural beliefs about institutions and authority may affect customers' trust and confidence in using Centrepay for financial transactions.

2. Geographic Barriers:

o Access to Services: Customers in rural or remote areas may face challenges accessing physical services or support related to Centrepay, such as customer service centres.

o Infrastructure Limitations: Poor infrastructure, including limited internet connectivity or transportation options, can hinder customers' ability to manage their Centrepay arrangements effectively.

3. Language Barriers:

o Understanding Policies and Procedures: Limited proficiency in the primary language used for Centrepay communications can make it difficult for customers to understand program policies, procedures, and their rights.

o Communication with Service Providers: Language barriers may impede effective communication between customers and registered Centrepay businesses, affecting their ability to discuss issues or resolve disputes.

Addressing these barriers requires tailored strategies:

- Cultural Sensitivity: Providing culturally sensitive information and support can enhance customers' understanding and trust in Centrepay. This includes employing staff who understand diverse cultural perspectives and tailoring communication materials accordingly.
- Geographic Outreach: Implementing outreach programs in rural and remote areas to provide in-person support, workshops, or mobile services can improve access and participation.
- Language Accessibility: Offering Centrepay information and customer service in multiple languages, providing translated materials, and ensuring interpreters are available when needed can help overcome language barriers.
- Education and Empowerment: Providing financial literacy programs and workshops that are culturally appropriate and accessible can empower customers to effectively use Centrepay and make informed financial decisions.

By recognizing and addressing these specific barriers, Centrepay can better serve its diverse

customer base, enhance accessibility and inclusivity, and improve overall customer satisfaction and outcomes.

What improvements could be made to the complaints management process for Centrepay customers?

This could include if not already available:

1. **Accessibility and Awareness:** Increase awareness among Centrepay customers about how to lodge complaints, including clear information on available channels (e.g., online portal, phone, email) and steps involved in the process.
2. **Streamlined Procedures:** Simplify and streamline the complaints handling procedures to ensure they are easy to understand and navigate for customers. Provide clear guidance on what information is needed to lodge a complaint and what to expect during the process.
3. **Timely Responses:** Establish service level agreements (SLAs) for acknowledging complaints promptly and providing regular updates on the status of the complaint. Aim to resolve complaints within reasonable timeframes and communicate any delays with reasons.
4. **Empowerment and Support:** Offer support to customers throughout the complaints process, including access to dedicated customer service representatives who can assist with lodging complaints and provide guidance on next steps.
5. **Fairness and Impartiality:** Ensure complaints are handled impartially and fairly. Implement procedures to avoid conflicts of interest and ensure decisions are based on objective assessment of the facts.
6. **Transparency and Accountability:** Maintain transparency by informing customers of the progress of their complaints and providing clear reasons for decisions made. Document all stages of the complaints process for accountability and audit purposes.
7. **Feedback Mechanisms:** Solicit feedback from customers about their experience with the complaints process to identify areas for improvement. Use customer feedback to continuously refine and enhance complaint handling procedures.
8. **Training and Resources:** Provide training to staff involved in complaints management to ensure they have the skills and knowledge to handle complaints effectively and sensitively. Equip them with resources and tools to facilitate resolution.
9. **Learn from Complaints:** Use insights gained from complaints to identify systemic issues or recurring problems. Take proactive steps to address root causes and prevent similar issues from arising in the future.
10. **Integration with Quality Assurance:** Integrate complaints management into broader quality assurance processes to ensure continuous improvement of Centrepay services and customer satisfaction.

By implementing these improvements, Centrepay can enhance customer trust, satisfaction, and confidence in the program's ability to address concerns promptly and fairly. This, in turn, supports the program's goals of empowering customers and promoting responsible financial management.

How can we better advertise and communicate the channels and avenues through which complaints can be made?

Perhaps consider establishing mechanisms for collecting feedback from customers about their experiences with lodging complaints. Use this feedback to refine communication strategies and make ongoing improvements. Also regularly reviewing and update communication materials and channels based on customer feedback, changes in technology, or regulatory requirements.

Are there any known barriers or perceived issues that are impacting on a customer's ability or willingness to raise concerns with the agency in relation to their Centrepay arrangements?

Not that we are aware of.

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

Not that we are aware of.

What community expectations could be incorporated into assessing Centrepay registered businesses?

Generally, does this service meet the needs of it's customers.

What risk factors should the agency consider in assessing a business for Centrepay registration?

1. Compliance with Laws and Regulations: Verify that the business complies with all relevant laws and regulations, including consumer protection laws, financial services regulations, and any specific requirements related to Centrepay participation.
2. Customer Service and Support: Evaluate the business's capacity to provide adequate customer service and support to Centrepay customers. This includes responsiveness to customer inquiries, complaints handling procedures, and dispute resolution mechanisms.
3. Ensure that the business has robust data security measures in place to protect Centrepay customers' personal and financial information from unauthorized access, breaches, or misuse.
4. Quality of Goods and Services: Consider the quality and reliability of the goods and services offered by the business through Centrepay. Assess whether they meet established standards and expectations for Centrepay customers.

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

Nothing further that we are aware of.

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

This could include the following:

1. High Volume of Complaints: A significant increase in customer complaints related to a specific

business could indicate issues with service quality, transparency, or adherence to Centrepay policies. Patterns of complaints, especially if they are similar in nature or involve systemic issues, should prompt investigation.

2. Non-Delivery of Goods or Services: Reports of businesses failing to deliver promised goods or services paid for through Centrepay could indicate potential fraud or misrepresentation. Non-delivery or delayed delivery beyond reasonable expectations should be investigated promptly.

3. Legal or Regulatory Violations: Information indicating that a business is engaged in activities that violate consumer protection laws, financial regulations, or other applicable laws should trigger engagement to ensure compliance with Centrepay policies.

4. Poor Customer Service or Support: Persistent reports or evidence of inadequate customer service, such as unresponsiveness to customer inquiries or complaints, could signal deficiencies in the business's ability to meet Centrepay customer service standards.

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

We don't believe there should be an automated exclusion if a business applies to use Centrepay services, every business should be assessed equally and fairly from the outset.

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

The relevant laws and regulations, for example the NCCP for consumer lease providers.

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

It should be full disclosure, if Centrepay expects that all customers are to independently decide whether to commit to a certain service or business, they customer must first know all risks and passed breaches.

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

No further information from what is already available is necessary.

How would customers prefer to be notified about overpayments?

Directly from the business and if not successful, in writing by Centrepay.

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

Our business maximizes our efforts and attempts to avoid overpayments in the first place.

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

Meaningful consultation and engagement in reforming the Centrepay service involves a comprehensive approach that prioritizes inclusivity, transparency, and responsiveness to stakeholder needs and perspectives. Here's what it should entail:

1. **Inclusivity of Stakeholders:** Engage a diverse range of stakeholders, including Centrepay customers, community organizations, registered businesses, government agencies, and experts in consumer protection and financial services. Ensure representation from different demographics and regions to capture a broad spectrum of perspectives.
2. **Transparency in Process:** Clearly communicate the objectives, scope, and timelines of the reform process to stakeholders. Provide access to relevant information, data, and analysis that inform the proposed reforms.
3. **Accessibility of Information:** Ensure that information about reform proposals, consultation meetings, and feedback mechanisms is accessible to all stakeholders. Use plain language and provide materials in multiple formats and languages as needed.
4. **Engagement Mechanisms:** Employ a variety of engagement mechanisms to solicit feedback and input from stakeholders, such as public consultations, surveys, focus groups, workshops, and online platforms. Allow sufficient time for stakeholders to review and respond to proposals.
5. **Active Listening and Response:** Actively listen to stakeholders' concerns, suggestions, and feedback. Demonstrate responsiveness by acknowledging feedback, addressing concerns, and incorporating stakeholder input into reform proposals where feasible and appropriate.
6. **Collaborative Decision-Making:** Foster collaboration among stakeholders in developing reform strategies and solutions. Encourage constructive dialogue and consensus-building to reach decisions that reflect shared priorities and considerations.
7. **Iterative Process:** Embrace an iterative approach to reform, where draft proposals are refined based on stakeholder feedback and further consultation. Provide opportunities for stakeholders to review revised proposals and provide additional input.
8. **Evaluation and Accountability:** Establish mechanisms to evaluate the impact of proposed reforms on Centrepay stakeholders, including customers, businesses, and program administrators. Monitor implementation progress and outcomes to ensure accountability and effectiveness.
9. **Education and Awareness:** Offer educational resources and information sessions to stakeholders about the rationale behind reforms, how they will be implemented, and how stakeholders can benefit from or adapt to changes.
10. **Continuous Engagement:** Commit to ongoing engagement with stakeholders beyond the initial reform process. Maintain open channels of communication for feedback, updates on implementation progress, and opportunities for further input as Centrepay evolves.

By embracing these principles of meaningful consultation and engagement, Centrepay can foster trust, collaboration, and support among stakeholders, ultimately leading to reforms that enhance the program's effectiveness, accessibility, and impact on the lives of its participants.

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Services Australia

Where are you located?

QLD

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

Yes, Aboriginal

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

No

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

yes

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

yes

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

no

What criteria should be used to consider whether to include or exclude any goods or services?

businesses need to be appropriate for customers - no tobacco, alcohol, gambling

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

yes

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

80% which is stated is the average maximum seems like a good figure. Customers will still have cash available for ad hoc expenses

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Businesses should not be allowed to increase customer deductions without permission from customer

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

Businesses should not be allowed to increase customer deductions without permission from customer

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

As far as I know they do

CUSTOMER EXPERIENCE

What are the specific cultural, geographic and language barriers impact customers' ability to use Centrepay?

Indigenous and Remote Customers need to continue being able to contact with Centrepay enquiries/concerns via phone or via Remote Visiting Teams

BUSINESS

What community expectations could be incorporated into assessing Centrepay registered businesses?

Are local Community Organisations consulted on the appropriateness of businesses becoming Centrepay businesses?

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

engage and consult with service delivery, remote servicing, multicultural services

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Junction & Women's Housing

Where are you located?

SA

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

Prefer not to say

Are you an Aboriginal or Torres Strait Islander Australian?

Prefer not to say

Are you from a Culturally and Linguistically Diverse (CALD) background?

Prefer not to say

Are you a Centrepay customer?

Prefer not to say

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

Financial empowerment is important for the customer utilising Centrepay, however this may be minimising protection for the customer to reduce financial harm - but it allows for customers to mismanage their income putting them self, their children and family members at risk in many factors including no shelter, no utilities and no food.

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

Yes

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

No

What criteria should be used to consider whether to include or exclude any goods or services?

N/A

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

Yes

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

No need to provide ongoing flexibility for the customer.

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

Introducing this could cause issues for customers residing in Community Housing, as leases are in one name and if there are multiple adults residing in the home, some may pay rent direct to customer or pay other expenses bills & food, as customer chooses to pay all the rent charge via their centrepay. Therefore customer is provided with appropriate flexibility to support them in managing their own finances.

A capped percentage amount would be an administrative burden for the Community Housing Provider and potentially causes many calls from the customers in relation to who from their household has paid their rent component, this should not fall on the Community Housing Provider.

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Absolutely where customers consent to this - it provides less stress for the customer, it ensures payments are set established and tenancy starts off on a positive note. It provides ease for the customer.

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

No not for the service of accommodation.

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

Customers who are no longer receiving a service eg. ex-tenant of Housing Provider, with a debt allowing them to utilise Centrepay to pay off their debt.

Customers who commit to paying off their debt via alternative payment methods generally fail as once the money is in their bank account they do not make a payment.

Ex-tenant's may set up Centrepay themselves to pay off the debt as they want to be eligible to secure a social housing dwelling via the same Housing Provider, which may be considered if the customer has demonstrated they are paying the debts back. Where this happens, the Centrepay has to be cancelled and any money returned to the customer.

The customer is unhappy not being able to use Centrepay, plus it causes a further administrative burden for the housing provider.

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

Yes

CUSTOMER EXPERIENCE

What types of information would better support customers to understand and manage their own Centrepay arrangements?

Simplified correspondence, SMS to customers and user friendly access on myGov.

How can the agency, and registered Centrepay businesses, better support customers when things go wrong?

Early intervention opportunities prior to customer cancelling their Centrepay, which put them at risk.

What are the specific cultural, geographic and language barriers impact customers' ability to use Centrepay?

Maybe outreach staff member from Services Australia working in other stakeholders offices, as some customers struggle with technology, nor like going into a Services Australia office.

What improvements could be made to the complaints management process for Centrepay customers?

Our customers have not indicated they had a complaint with Centrepay.

How can we better advertise and communicate the channels and avenues through which complaints can be made?

Include this on promotion material or even the CCeS rules poster.

Are there any known barriers or perceived issues that are impacting on a customer's ability or willingness to raise concerns with the agency in relation to their Centrepay arrangements?

Can only assume customer fearful of their income/benefit being cut off.

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

No - Centrepay Procedure Guide is very clear and provides good guidances for businesses.

What community expectations could be incorporated into assessing Centrepay registered businesses?

They can be assured that regular audits are conducted by Services Australia with Centrepay registered businesses, ensure they are adhering to the Centrepay Procedural Guide for Businesses. Also businesses have a Compliance and Risk register to make certain any risk factors are being minimised and actioned.

What risk factors should the agency consider in assessing a business for Centrepay registration?

Either a register or framework in place to monitor risk factors.

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

Centrepay provides flexibility for people making payments to accommodation.

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

Business accessing records they shouldn't, which puts business and agency at risk.

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

All of the above

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

Subject to severity would they deem information being made available.

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

Cannot provide any further information to this.

How would customers prefer to be notified about overpayments?

SMS or email.

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

When we have a credit due to no longer receiving a service, but they have a debt customer do not respond to our attempts to return the credit. Could also be that they have changed mobile number or email address.

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

It is important that regular updates are communicated. Communication is the key!

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

ENGIE

Where are you located?

VIC

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

Prefer not to say

Are you from a Culturally and Linguistically Diverse (CALD) background?

Prefer not to say

Are you a Centrepay customer?

No

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

No feedback.

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

No feedback.

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

No feedback.

What criteria should be used to consider whether to include or exclude any goods or services?

No feedback.

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

No feedback.

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

No feedback.

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

No feedback.

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

The use of Centrepay to pay for energy bills can either be set up and managed by the customer or by the energy retailer.

In our experience, the management of Centrepay deductions are administratively simpler when the deductions are set up and managed by the energy retailer. When we set up the deductions, we can ensure that the customer name and reference details match the details on the energy account so that payments are automatically allocated to the correct energy account. When a customer establishes their own Centrepay deductions, there is a risk of a mismatch between the customer name and reference details on the energy account. In these instances, it requires manual processes for our staff to allocate payments to the correct account or to manually trigger payments being returned to Services Australia where no match can be found.

Under the current arrangements, there are manual processes for our staff to cancel Centrepay deductions when a customer finalises their account with us. We would support Services Australia introducing more automation on their end to cancel deductions on a customer transfer, which would avoid manual processes for retailers and reduce the risk of customer overpayments.

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

As above.

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

As above.

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

As above.

CUSTOMER EXPERIENCE

What types of information would better support customers to understand and manage their own Centrepay arrangements?

ENGIE considers that the Centrepay arrangements could be enhanced to reduce the occurrence of mismatches. When a customer sets up a Centrepay deduction, there could be additional requirements for the customer to confirm that the details provided match the customer name for their energy account, and if not, to provide the name on the energy account (for example, the energy account may be listed under the Centrepay customer's wife or husbands name).

Additional details may also assist with ensuring that Centrepay payments are allocated correctly:

- Confirmations on the fuel that payments will be allocated (to avoid instances where a customer inadvertently sets up two payments for their electricity account and no payments for their gas account);
- Site address for the energy account(s); and
- Account number(s).

How can the agency, and registered Centrepay businesses, better support customers when things go wrong?

As above.

What are the specific cultural, geographic and language barriers impact customers' ability to use Centrepay?

As above.

What improvements could be made to the complaints management process for Centrepay customers?

No feedback.

How can we better advertise and communicate the channels and avenues through which complaints can be made?

No feedback.

Are there any known barriers or perceived issues that are impacting on a customer's ability or willingness to raise concerns with the agency in relation to their Centrepay arrangements?

No feedback.

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

Energy retailers have sector-specific regulatory obligations to make Centrepay available as a payment option under contracts with their customers. As temporary suspension or permanent de-registration as a Centrepay-approved business would create unacceptable risks for an energy retailer in meeting their regulatory obligations, our preference would be that Centrepay initially consider imposing additional conditions to ensure compliance before considering de-registration due to the business operating inconsistently with the Centrepay framework.

ENGIE considers the current list of criteria and obligations are comprehensive and there is no need to include additional obligations for businesses to meet to remain a registered Centrepay business.

What community expectations could be incorporated into assessing Centrepay registered businesses?

As above.

What risk factors should the agency consider in assessing a business for Centrepay registration?

As above.

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

Energy retailers make several payment methods available to their customers, including:

- In person (for example, at Australia Post locations);
- By telephone;
- By mail (for example, by posted cheque);
- By direct debit; and
- By electronic funds transfer.

Energy retailers make Centrepay available to their customers as a voluntary payment method to support eligible customers manage their energy bill payments. There are no additional conditions that are required to be placed on energy retailers in relation to customer choice of payment methods.

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

As above.

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

As above.

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

ENGIE is comfortable with the current criteria used to assess a business's compliance to the Centrepay service and does not consider any additional criterion are required.

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

ENGIE considers that Services Australia should publish high-level information on compliance action that does not reveal any specific commercial-in-confidence information about the business or its processes and systems.

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

In the context of energy retail services, overpayments may occur in instances where:

- the customer has established multiple deductions for the same energy account (for example, double payments for an electricity account instead of payments for both the electricity and gas accounts);
- the customer has established deductions for an inactive/closed account; or
- the customer has not cancelled their Centrepay deductions at the time their energy retail contract is finalised (although, in most instances, the energy retailer can assist with cancelling the deductions);

These types of overpayments may occur when the customer has set up their own Centrepay deductions for their energy accounts. As noted previously, ENGIE considers the management of Centrepay deductions (and avoidance of potential overpayments) is simpler when the energy

retailer establishes the arrangement on behalf of the customer.

In terms of improvements that could be made to the Centrepay arrangements, we would support enhancements that could block payments to inactive accounts before the payments are received by the energy retailer. This would help prevent mistaken payments that retailers need to manually manage and return directly to customers or to Services Australia.

How would customers prefer to be notified about overpayments?

The current process that is followed to attempt to return overpaid funds directly to the customer does not result in great customer outcomes, as the customer needs to take action in response to correspondence from their energy retailer.

Ideally, the process to notify customers and return overpaid funds could be automated through Services Australia / Centrepay and not require customers to make decisions on how the funds are returned.

As noted above, we would support reforms that reduce the occurrence of overpayments.

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

Refer to above responses.

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

ENGIE expects that Services Australia publish its draft decision on reforms to the Centrepay service and explain how it has taken into account stakeholder feedback to this discussion paper. We also expect that the advice and feedback from the dedicated Centrepay Reform Peak Advisory Reference Group is transparent and Services Australia specifies how it has addressed feedback from this Group.

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Red Energy

Where are you located?

VIC

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

Red Energy and Lumo Energy agree with the critical areas.

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

Red Energy and Lumo Energy have no feedback to provide.

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

Red Energy and Lumo Energy have no feedback to provide.

What criteria should be used to consider whether to include or exclude any goods or services?

Red Energy and Lumo Energy have no feedback to provide.

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

Red Energy and Lumo Energy encourage Services Australia to place different restrictions on different businesses. Energy bills fluctuate throughout the year due to consumption and seasonal patterns. More importantly, energy is an essential service. Therefore, energy retailers should have the ability to set up Centrepay arrangements that allow for an increase and

decrease in the amounts to align a customer's payments to their ongoing energy use. This ensures consumers don't overpay their energy bills while also ensuring their energy bills do not slowly slip into accrued debt. This adjustment would only occur in accordance with the pre-agreed terms with consumers upon obtaining explicit informed consent whilst the Centrepay arrangement is being established. Further to this, and before any adjustments are made consumers would be notified, allowing the opportunity to opt out of any pre-agreed arrangement, or enter into another suitable arrangement.

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

Please refer to question 5 for our feedback. Red Energy and Lumo Energy encourage Services Australia to place different restrictions on different businesses. Given the nature of energy bills fluctuating based on consumption and seasonal patterns throughout the year, along with being an essential service, energy retailers should have the ability to set up Centrepay arrangements along with having the ability to increase and decrease the amounts to align a customer's payments to their ongoing energy use. This ensures consumers don't overpay their energy bills while also ensuring their energy bills do not slowly slip into accrued debt. This would occur in accordance with the pre-agreed terms with consumers upon obtaining explicit informed consent whilst the Centrepay arrangement is being established. Further to this, and before any adjustments are made consumers would be notified, allowing the opportunity to opt out of any pre-agreed arrangement, or enter into another suitable arrangement.

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

Red Energy and Lumo Energy note that Centrepay is a payment option and consumers should be allowed to utilise the payment option as they see fit.

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Please refer to question 5 for our feedback. Red Energy and Lumo Energy encourage Services Australia to place different restrictions on different businesses. Energy bills fluctuate throughout the year due to consumption and seasonal patterns. More importantly, energy is an essential service. Therefore, energy retailers should have the ability to set up Centrepay arrangements that allow for an increase and decrease in the amounts to align a customer's payments to their ongoing energy use. This ensures consumers don't overpay their energy bills while also ensuring their energy bills do not slowly slip into accrued debt. This adjustment would only occur in accordance with the pre-agreed terms with consumers upon obtaining explicit informed consent whilst the Centrepay arrangement is being established. Further to this, and before any

adjustments are made consumers would be notified, allowing the opportunity to opt out of any pre-agreed arrangement, or enter into another suitable arrangement.

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

Please refer to question 5 for our feedback. Red Energy and Lumo Energy encourage Services Australia to place different restrictions on different businesses. Energy bills fluctuate throughout the year due to consumption and seasonal patterns. More importantly, energy is an essential service. Therefore, energy retailers should have the ability to set up Centrepay arrangements that allow for an increase and decrease in the amounts to align a customer's payments to their ongoing energy use. This ensures consumers don't overpay their energy bills while also ensuring their energy bills do not slowly slip into accrued debt. This adjustment would only occur in accordance with the pre-agreed terms with consumers upon obtaining explicit informed consent whilst the Centrepay arrangement is being established. Further to this, and before any adjustments are made consumers would be notified, allowing the opportunity to opt out of any pre-agreed arrangement, or enter into another suitable arrangement.

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

Please refer to question 5 for our feedback. Red Energy and Lumo Energy encourage Services Australia to place different restrictions on different businesses. Energy bills fluctuate throughout the year due to consumption and seasonal patterns. More importantly, energy is an essential service. Therefore, energy retailers should have the ability to set up Centrepay arrangements that allow for an increase and decrease in the amounts to align a customer's payments to their ongoing energy use. This ensures consumers don't overpay their energy bills while also ensuring their energy bills do not slowly slip into accrued debt. This adjustment would only occur in accordance with the pre-agreed terms with consumers upon obtaining explicit informed consent whilst the Centrepay arrangement is being established. Further to this, and before any adjustments are made consumers would be notified, allowing the opportunity to opt out of any pre-agreed arrangement, or enter into another suitable arrangement.

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

Red Energy and Lumo Energy have no feedback to provide.

CUSTOMER EXPERIENCE

What types of information would better support customers to understand and manage their own Centrepay arrangements?

Red Energy and Lumo Energy have no feedback to provide.

How can the agency, and registered Centrepay businesses, better support customers when things go wrong?

Red Energy and Lumo Energy have no feedback to provide.

What are the specific cultural, geographic and language barriers impact customers' ability to use Centrepay?

Red Energy and Lumo Energy have no feedback to provide.

What improvements could be made to the complaints management process for Centrepay customers?

Red Energy and Lumo Energy have no feedback to provide.

How can we better advertise and communicate the channels and avenues through which complaints can be made?

Red Energy and Lumo Energy have no feedback to provide.

Are there any known barriers or perceived issues that are impacting on a customer's ability or willingness to raise concerns with the agency in relation to their Centrepay arrangements?

Red Energy and Lumo Energy have no feedback to provide.

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

Red Energy and Lumo Energy have no feedback to provide.

What community expectations could be incorporated into assessing Centrepay registered businesses?

Red Energy and Lumo Energy have no feedback to provide.

What risk factors should the agency consider in assessing a business for Centrepay registration?

Red Energy and Lumo Energy have no feedback to provide.

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

Please refer to question 5 for our feedback. Red Energy and Lumo Energy encourage Services Australia to place different restrictions on different businesses. Energy bills fluctuate throughout the year due to consumption and seasonal patterns. More importantly, energy is an essential service. Therefore, energy retailers should have the ability to set up Centrepay arrangements that allow for an increase and decrease in the amounts to align a customer's payments to their ongoing energy use. This ensures consumers don't overpay their energy bills while also ensuring their energy bills do not slowly slip into accrued debt. This adjustment would only occur in accordance with the pre-agreed terms with consumers upon obtaining explicit informed consent whilst the Centrepay arrangement is being established. Further to this, and before any adjustments are made consumers would be notified, allowing the opportunity to opt out of any pre-agreed arrangement, or enter into another suitable arrangement.

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

Red Energy and Lumo Energy have no feedback to provide.

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

Red Energy and Lumo Energy have no feedback to provide.

What should a business be monitored against to remain registered as a Centrepay business?

Red Energy and Lumo Energy have no feedback to provide.

COMPLIANCE

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

Red Energy and Lumo Energy have no feedback to provide.

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

Please refer to question 5 for our feedback. Red Energy and Lumo Energy encourage Services Australia to place different restrictions on different businesses. Energy bills fluctuate throughout the year due to consumption and seasonal patterns. More importantly, energy is an essential

service. Therefore, energy retailers should have the ability to set up Centrepay arrangements that allow for an increase and decrease in the amounts to align a customer's payments to their ongoing energy use. This ensures consumers don't overpay their energy bills while also ensuring their energy bills do not slowly slip into accrued debt. This adjustment would only occur in accordance with the pre-agreed terms with consumers upon obtaining explicit informed consent whilst the Centrepay arrangement is being established. Further to this, and before any adjustments are made consumers would be notified, allowing the opportunity to opt out of any pre-agreed arrangement, or enter into another suitable arrangement.

How would customers prefer to be notified about overpayments?

Red Energy and Lumo Energy have no feedback to provide.

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

Please refer to question 5 for our feedback. Red Energy and Lumo Energy encourage Services Australia to place different restrictions on different businesses. Energy bills fluctuate throughout the year due to consumption and seasonal patterns. More importantly, energy is an essential service. Therefore, energy retailers should have the ability to set up Centrepay arrangements that allow for an increase and decrease in the amounts to align a customer's payments to their ongoing energy use. This ensures consumers don't overpay their energy bills while also ensuring their energy bills do not slowly slip into accrued debt. This adjustment would only occur in accordance with the pre-agreed terms with consumers upon obtaining explicit informed consent whilst the Centrepay arrangement is being established. Further to this, and before any adjustments are made consumers would be notified, allowing the opportunity to opt out of any pre-agreed arrangement, or enter into another suitable arrangement.

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

Red Energy and Lumo Energy have no feedback to provide.

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Australian Energy Council

Where are you located?

VIC

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

Prefer not to say

Are you a Centrepay customer?

Prefer not to say

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

While the AEC views Centrepay as one important tool that can be used by customers to self-manage their expenses, we recognise that reforms are necessary to both prevent overpayments and allow customers to pay off debt where they choose to do so.

DEDUCTION ARRANGEMENT

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

While the AEC views Centrepay as one important tool that can be used by customers to self-manage their expenses, we recognise that reforms are necessary to both prevent overpayments and allow customers to pay off debt where they choose to do so:

1. Preventing overpayments – businesses currently do not have the ability to stop Centrepay deductions from landing on inactive accounts. Services Australia's system allows businesses to cancel and suspend Deductions for up to 13 weeks, but the customer can keep re-setting the Deduction up. This means that some overpayments cannot be prevented from occurring. The AEC supports changes to the system which would allow service providers, including energy retailers, to block payments from inactive accounts. This would also prevent customers re-setting up Deductions multiples times on their old inactive accounts.
2. Allowing customers to pay off debt where they choose to do so – the framework should be expanded to allow Deductions to go towards services that a customer has used with their retailer, where they choose to do so. The AEC understands that a significant proportion of inactive overpayments are the result of customers in good will re-establishing their Centrepay Deduction through Services Australia to pay off their debt. This is potentially an important way for customers to pay off their debt, as otherwise they may not have any other financial means to pay it.

In addition to the above reforms, the AEC supports the improvement of the technical administration of the system to facilitate bulk suspensions, cancellations and returns of overpayments. For example, at present when active customers with high Centrepay credit balances do not accept a retailer's request for them to take a refund, the retailer is only able to cancel and suspend 6 accounts per day through the Centrepay Help desk.

Do you agree to the Privacy Collection Notice?

Yes

Do you consent to your submission being published at the end of the public consultation period?

Yes

Do you wish to make your submission anonymously?

No

Are you an individual or responding on behalf of an organisation?

Organisation

Are you an:

Centrepay Registered Business

What is the name of your business or organisation?

Origin Energy

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

Origin welcomes the opportunity to participate in the reform of the Centrepay policy. Origin has commented on the critical areas of reform identified that are of relevance to energy retailers operating as Centrepay registered businesses.

Origin wishes to highlight the technical administration of Centrepay as another area that would benefit from reform. Origin and other energy retailers have significant responsibilities in supporting the administration of large-scale government programs, including Centrepay. It is vital that we collaborate closely with Government on the technical and administrative components of these programs to ensure their most effective and efficient delivery to our customers. For example, Origin suggests greater integration between the systems of Centrepay registered businesses and Services Australia (such as through an API) would result in better outcomes for customers and businesses.

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

Limitation on customers using Centrepay towards debt

Origin notes that under the current Centrepay Framework, a customer can only use Centrepay while they are continuing to receive goods and services from a business. If a former customer is in debt, the Policy states cannot continue to use Centrepay and must collect any amounts owing using another payment method.

This is a particular issue for customers in managing expenses in the utilities sector, where they are generally billed in arrears after the relevant service has been received. When a customer ends their service with a utility, they will receive a final bill for the energy consumed and any outstanding amounts owing up until the date they leave. Under the current Framework they must find an alternative payment method to pay off the final bill given that they remain financially responsible for the account.

In Origin's experience, this leads many former customers to attempt to reestablish a Centrepay deduction arrangement to pay off their final bill. As this is not allowed under the Centrepay framework, energy retailers must cancel these deductions, try to return the resulting payment to the customers, and separately engage with these customers about paying the final bill through an alternative payment method. This often causes a lot of frustration and confusion with our customers who are trying to pay off their bill. Many customers have informed us that trying to manage the payment via other payment methods can be a financial and administrative burden.

To better reflect how energy and utilities are billed, Origin considers it would be appropriate to amend the Policy to allow customers to pay off their final bill and any amounts still owed to their retailer via Centrepay.

Origin considers that these deductions could be managed by the retailer using the appropriate Centrepay deduction type, for example using a deduction with a target amount that reflects the customer's final bill so the Centrepay payments cease when the customer's debt has been paid off. To facilitate this, Origin recommends updating the deduction authority to include a permission for businesses to update a customer's deduction authority at the time they close their account to include a final target amount reflecting the amount still owing to the business (i.e. the amount of their final bill).

Businesses with multiple approved service types

Origin notes it is common for businesses in the utility sector to provide multiple services to customers (for example, a customer may obtain electricity and gas services from the same retailer) and to offer Centrepay as a payment method for more than one service. This often means customers have more than one customer account with the same business and are making Centrepay payments to multiple accounts.

In Origin's experience, it is relatively common for customers to inadvertently set up a Centrepay deduction arrangement for the wrong account or to make deductions towards their closed account instead of their active account. For example, this can occur when a customer moves house and a new account is set up for their new address, but the customer doesn't update their Centrepay deduction arrangement and continues to make payments towards their closed account.

These deductions then become 'overpayments' to be returned to the customer, either directly or, if that is not possible, via Services Australia. In some cases, customers will request these funds be transferred to their active account instead of obtaining a refund. While this possible for Origin to facilitate, it is not permitted under the current Centrepay framework.

Currently, businesses who offer more than one service to customers cannot transfer Centrepay funds to a customer's account of a different approved service, even upon a customer's request. For example, Centrepay funds cannot be transferred across fuels from a customer's closed gas account to a customer's active electricity account.

Origin considers customers should have more flexibility to transfer Centrepay funds between their accounts of approved services. This will better facilitate the return of any overpayments that occur to the customer and allow the customer greater flexibility to manage deductions across their accounts.

Businesses having the ability to transfer Centrepay funds between customer accounts of approved services will also reduce the need to return funds to Services Australia in the event the business is unable to contact the customer to return the overpayment. It is generally very challenging to successfully reach customers to have the conversation with them about their credits and refunds due to the low response rate from customers to our contact attempts.

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

Maximum percentage limit

If a maximum percentage limit on the amount customers can allocate from their Centrepay payment to their Centrepay deductions is imposed, giving businesses visibility over that limit will assist them to offer more tailored payment options based on the customer's specific circumstances.

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

Acquisition of other Centrepay approved businesses

Origin recommends the Centrepay Framework should also be updated to cater for the scenario where a registered Centrepay business acquires or merges with another Centrepay registered

business.

Under the current Centrepay Framework, when migrating customers to the new Centrepay registered business, a customer's deduction authority cannot be unilaterally updated to reflect the CRN of the new business to enable a customer's deductions to be automatically allocated to their new account. Currently, there are limited options available to businesses to manage a customer's Centrepay deduction arrangement going forward in this scenario that does not create additional risk for the customer (for example, cancelling the customer's deduction authority and requiring the customer to set up a new Centrepay deduction arrangement with the new business). There is also a risk that some customers may be unaware that their Centrepay deductions are not continuing (despite our correspondence to notify them of the issue) and they face debt collection activities for non-payment.

Managing a customer's Centrepay deduction arrangement

Origin is of the view that improved functionality is required to support businesses to continue to proactively manage customer deduction arrangements. Origin considers it is critical that businesses have the ability to decrease, pause or cease customer deduction arrangements in bulk to reduce the likelihood of overpayments occurring.

Currently, businesses are required to contact the Centrepay helpdesk to individually request suspensions which is inefficient and not fit for purpose, especially for businesses managing a large number of customers using Centrepay.

Account holders

In Origin's view, only customers with financial responsibility for the relevant account (i.e. the account holder) should be able to establish a Centrepay deduction arrangement. Currently, under the Centrepay Framework, a Centrepay user can set up a deduction arrangement and make payments towards any account, even if they are not listed as an account holder or authorised contact. This is relatively common in the utility sector, where there may be multiple people residing at an address and the financial arrangements of the household means the account holder is not the person paying the utility bills.

In Origin's experience, this practice causes significant difficulties for the return of overpayments which may arise to the person who made them. If a Centrepay user makes a payment towards an account without being either an account holder or an authorised contact, this makes it very difficult to return the overpaid funds. For example, as the Centrepay user is not a customer, the business would not have any relevant contact details for the person who made the Centrepay payment and would need to return the overpaid funds to the account holder (as the person with the contractual relationship with business). Any relevant correspondence Origin sends to the customer about their Centrepay arrangements or credits will also only be received by the account holder and hence the other Centrepay contributors may not be aware of overpayments or credits on the account.

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

Ineligible customers

Origin is of the view that greater preventative measures are required within the Centrepay Framework to reduce overpayments from occurring on customer accounts.

Currently, customers can override preventative measures taken by a business to reduce or stop overpayments on an account, for example, by reducing, suspending or cancelling a customer's deductions. This is because a customer can remove any suspensions, increase their instalment amount and set up a new Centrepay deduction arrangement via the Centrepay self-service portal without consulting the business.

Origin considers that the options available to customers should support and reflect the focus on avoidance of overpayments, for example, by limiting changes to Centrepay deduction authorities after a business has suspended or decreased the deduction amount to prevent overpayments in line with the requirements in the Framework.

In terms of cancellation, we consider that functionality should be introduced to prevent relevant customers from re-establishing up a Centrepay deduction arrangement that has been cancelled by a business, for example, where the business has cancelled a customer's deduction to prevent the accumulation of greater excess credit or where the customer is no longer eligible to use Centrepay (i.e. they are a former customer no longer receiving goods or services from the business).

In Origin's experience, issues may arise where customers re-establish Centrepay deduction arrangements after their Centrepay arrangement has been cancelled by the business in an effort to prevent further deductions which may amount to overpayments occurring. Origin sees benefit in communications between retailers and Services Australia in this kind of instance to avoid unnecessary deductions continuing to be made.

It is also important that customers are well informed about how the Centrepay program works, as well as the business' responsibilities. For example, it is important that Services Australia clearly explains to a customer that Centrepay should not be used to build up excess credits on their account as a savings mechanism and the actions a business may take to prevent overpayments, such as decreasing, pausing or ceasing the customer's Centrepay deduction arrangement.

OVERPAYMENTS

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

It currently very challenging for utility suppliers to prevent all overpayments due to the complexities arising for the application of the Centrepay Framework in this context.

As covered in Origin's response to other questions, these include the former customers re-establishing Centrepay deductions and the current technical impediments to bulk suspending and returning of overpayments.

Despite these complexities, it is a regulatory requirement for energy retailers to offer Centrepay as a payment method to customers.

Origin suggests greater integration between the systems of Centrepay registered businesses and Services Australia (such as through an API) would result in better outcomes for customers and businesses. Under the current Centrepay Framework, businesses are often required to contact Services Australia through the Help Desk to manage a customer's Centrepay deductions and are limited to making a very small number of requests via the Help Desk each day. This is incredibly inefficient and time consuming for Centrepay businesses, especially those with thousands of customers using Centrepay.

The use of an API or similar functionality would allow for businesses to manage customer deductions more efficiently to prevent overpayments and facilitate faster returns if an overpayment does occur.

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Brotherhood of St. Laurence

Where are you located?

VIC

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

The Brotherhood of St. Laurence (BSL) commends Services Australia on its commitment to reforming Centrepay and on improvements made to date to strengthen customer protections and to deliver on the policy intent of Centrepay.

Feedback from our program participants indicates that Centrepay is generally considered to be a useful tool for financial management. However, without active stewardship, Centrepay has become an avenue for exploitation.

Many of the recommendations made throughout this submission are drawn from and align with those provided to Minister Shorten and Services Australia by advocates (now members of the Peak Advisory Reference Group) in March 2023.

BSL recommends an additional area for reform to meet the needs of customers be to maximise the potential of Centrepay to support economic security. The agency can do this by:

- Regularly publishing data on the number of customers using Centrepay, the number and category of Centrepay complaints, the percentage of deductions within service categories by region, and how many customers have deductions greater than 75% of their Centrelink payment.
- Regularly analysing data to support broader reforms of the social security system. For example, where analysis of Centrepay data indicates that the base rate of income support payments is insufficient to achieve an adequate standard of living, this could be provided to the Department of Social Services to inform policy change.

APPROVED GOODS AND SERVICES

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

BSL recommends that Services Australia:

- Institute a process (with transition arrangements) to remove all non-essential and potentially harmful products from Centrepay access, including consumer leases.

DEDUCTION ARRANGEMENTS

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

To improve customer safeguards, we recommend that Services Australia:

- Prohibit never-ending deductions – with exceptions for housing costs and essential utilities – by introducing an end date and a target amount for each contract.

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

To deliver Centrepay in line with its objectives and strengthen customer protections, we recommend that Services Australia:

- Amend the Centrepay payment hierarchy to prioritise the following deductions: payments for housing (shelter), payments for access to utilities (energy, water, telecommunications usage – excluding the purchase of devices), and medical treatment and supplies approved by a licensed practitioner.

CUSTOMER EXPERIENCE

What types of information would better support customers to understand and manage their own Centrepay arrangements?

To better support customers to understand and manage their own Centrepay arrangements, BSL recommends that Services Australia:

- In consultation with customers and advocates, design an alert to inform the customer if a new deduction will mean that total deductions will exceed a certain percentage of their Centrelink payments (for example 75%) and include referral information about the National Debt Helpline and Mob Strong Debt Help with the alert.
- Strengthen support for Centrepay customers by using customer contacts as an opportunity to proactively review Centrepay arrangements and to provide information about other financial

management tools and programs that could provide support such as the No Interest Loan Scheme (NILS), Saver Plus, financial counselling and others.

- Provide customers with regular prompts (for example, annually) to check and review their Centrepay arrangements to encourage and support the proactive management of deductions by customers.
- Improve visibility for customers who are digitally excluded by providing the option for an opt-in (or upon request) hard-copy itemised statement of deductions to be mailed at regular intervals.

What improvements could be made to the complaints management process for Centrepay customers?

BSL recommends that the agency improve the complaints process by:

- Regularly and systemically reviewing all complaints relating to Centrepay over a specified period to identify trends and systemic issues that require attention.

BUSINESS

What community expectations could be incorporated into assessing Centrepay registered businesses?

In line with community expectations regarding business accountability and conduct, BSL recommends that Services Australia:

- Increase oversight and regular monitoring of businesses and introduce clear criteria that would trigger an investigation and/or suspension of businesses, including a threshold number of customer complaints relating to a business.

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

BSL recommends that Services Australia:

- Require businesses using Centrepay to include details of what was purchased as an attachment to the Centrepay Agreement so that consumers can track what they have bought. Customers must also have the right to return defective goods.

OVERPAYMENTS

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

Services Australia can better support customers to avoid overpayments with businesses by:

- Requiring businesses to notify customers when their account with the business is in credit over two bill cycles.

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

Services Australia can achieve meaningful reform by:

- Establishing a Centrepay-specific lived experience/customer advisory board with representation of First Nations, culturally and linguistically diverse, and disability communities, attended by Services Australia decision-makers and reporting to the Minister.

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

CHERPA Inc. (Consumer Household Equipment Rental Providers Association)

Where are you located?

VIC

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

No

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

(CHERPA's complete submission follows):

About CHERPA

CHERPA is the peak body for the domestic household rentals industry in Australia (“the industry”), including consumer leasing. As a voice for the industry, CHERPA speaks on all matters that

influence how the industry operates, as well as its interactions with clients.

CHERPA maintains a comprehensive Code of Conduct for CHERPA members, protecting consumers with an ethical operational framework. CHERPA also contributes to an industry-wide Code of Practice (including non-CHERPA members), presently adopted by over 75% of the industry as a whole.

Although CHERPA represents industry members, as a non-profit peak body we are equally concerned for our consumer stakeholders.

Centrepay as an Invaluable Industry Tool for Client Protection

Since its inception, Centrepay has proven to be an ideal method of payment for most of our industry clients. Having Centrepay available as a payment method provides consumer protections through:

- keeping payment control in the hands of the client (e.g. service providers cannot alter payment amounts, or resume cancelled payments, without the client's explicit consent);
- maintaining a reliable payment flow (useful for both clients and industry members, reducing the administration burden for each, and minimising payment interruptions); and
- avoidance of any additional transaction fees (only the service provider pays for the service transaction) or external penalties (e.g. no bank or payment provider penalties for late, missed, or reduced payments).

Without Centrepay, clients would be charged fees by other payment providers, and would inevitably experience a much higher rate of missed, late, or reduced payments, with subsequent payment penalties levied both internally (from service providers through contract breaches) and externally (from payment providers and client banks). We note that many of our industry clients choose Centrepay as it assists their financial management, and provides them a sense of security through ensuring essential payments are promptly deducted and bills are kept up to date.

Although the majority of industry members offer Centrepay as a payment method, all industry members provide other payment methods (typically as many methods as practicable).

Further Consequences of Centrepay Withdrawal

Without Centrepay, the household rentals and consumer leasing industry would, with certainty, suffer a catastrophic reduction in viability:

- Client payment default rates would rise to beyond manageable levels: Currently the industry already experiences a high default rate, a natural consequence of various factors (including demographic realities and significantly limited industry recovery powers for leased goods), an increase of which would push many of our industry members to insolvency.
- Clients would suffer considerable financial exclusion: The industry provides a largely indispensable service when it comes to our client base accessing basic household items (such as white goods). No viable alternative presently exists, meaning that a significant reduction of the

industry's service capacity would likely result in the unavailability of these basic goods for tens of thousands of households nationwide.

Although Centrepay is a reliable and broadly-adopted payment method for the industry, nevertheless this relationship is more a result of our standard client demographic (the majority of which necessarily depend upon Centrelink payments for their basic income) rather than our business model per se.

Regulatory and Industry-led Safeguards

CHERPA's mission to maximise client safety within the present industry and regulatory frameworks has led CHERPA leadership to engage directly with decision makers and industry stakeholders at all levels. As an example of increased consumer protections, recent additions to regulatory safeguards include the Protected Earnings Amount (PEA) and the new 48% cap on costs for industry contracts.

Additionally, industry members employ comprehensive responsible lending protocols, making sure our clients are fully informed as to their purchase and payment decisions.

Moreover, all Centrepay payment providers in the consumer leasing industry operate under an Australian Credit Licence, which maintains strict regulatory controls of a level similar to the banking industry. As mandatory members of AFCA, we enjoy an extremely low rate of formal complaints. Industry members also engage in regular Desktop reviews with Centrepay's compliance managers ensuring our adherence to Centrepay guidelines and protocols.

The industry as it stands has never been more stringently regulated than it is today, minimising risk for all stakeholders and in particular our industry clients.

On the occasion that rogue industry operators do arise, these may be dealt with by the existing regulatory penalties. Furthermore, through the industry's continued efforts toward reform, we have noted the overwhelming reduction of non-compliant behaviour since the industry's adoption of a Code of Practice and the implementation of the recent regulatory changes noted here.

Concluding Assertions

- The household rentals and consumer leasing industry should enjoy continued access to the Centrepay service. This will help to ensure continued industry viability and avoid unnecessary financial exclusion for our clients.
- The present rental and leasing environment is a low-risk, heavily regulated and controlled industry, and is suitable for ongoing Centrepay provision for clients accessing basic household items.
- CHERPA is always open to feedback, and is happy to engage with industry stakeholders and consumer advocates about any matters of concern. Representatives of CHERPA would also appreciate the opportunity to consult with the Centrepay Reform Peak Advisory Reference Group regarding the present Centrepay Reform process.

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

(No further comments)

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

(No further comments)

What criteria should be used to consider whether to include or exclude any goods or services?

(No further comments)

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

(No further comments)

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

(No further comments)

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

(No further comments)

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

(No further comments)

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

(No further comments)

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

(No further comments)

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

(No further comments)

CUSTOMER EXPERIENCE

What types of information would better support customers to understand and manage their own Centrepay arrangements?

(No further comments)

How can the agency, and registered Centrepay businesses, better support customers when things go wrong?

(No further comments)

What are the specific cultural, geographic and language barriers impact customers' ability to use Centrepay?

(No further comments)

What improvements could be made to the complaints management process for Centrepay customers?

(No further comments)

How can we better advertise and communicate the channels and avenues through which complaints can be made?

(No further comments)

Are there any known barriers or perceived issues that are impacting on a customer's ability or willingness to raise concerns with the agency in relation to their Centrepay arrangements?

(No further comments)

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

(No further comments)

What community expectations could be incorporated into assessing Centrepay registered businesses?

(No further comments)

What risk factors should the agency consider in assessing a business for Centrepay registration?

(No further comments)

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

(No further comments)

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

(No further comments)

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

(No further comments)

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

(No further comments)

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

(No further comments)

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

(No further comments)

How would customers prefer to be notified about overpayments?

(No further comments)

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

(No further comments)

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

(No further comments)

Are you an individual or responding on behalf of an organisation?

Organisation

Where are you located?

NSW

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

Prefer not to say

Are you an Aboriginal or Torres Strait Islander Australian?

Prefer not to say

Are you from a Culturally and Linguistically Diverse (CALD) background?

Prefer not to say

Are you a Centrepay customer?

Yes

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

Regarding Cpay process with target. The target deduction from Centrelink option has limitations. After the target amount is reached the Cpay deduction is cancelled requiring a new cpay deduction to be completed. This requirement is inefficient and not well received generally from tenants. If Cpay change the process to allow the rent deduction to continue after the target amount is met, this will be more efficient and with less inconvenience to clients.

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Hume City Council

Where are you located?

VIC

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

Yes

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

Yes, it is important to provide freedom of self management to Centrepay customers

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

List is extensive enough to support objectives

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

None

What criteria should be used to consider whether to include or exclude any goods or services?

Unsure

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

Yes, these work fine

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

maybe in the social field of services

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

Yes

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Yes, as many customers are unable to establish these without assistance

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

Non government, yes

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

limit overexposure to social expenses

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

Yes

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

None

What community expectations could be incorporated into assessing Centrepay registered businesses?

User need

What risk factors should the agency consider in assessing a business for Centrepay registration?

Tighter restrictions around non government agencies

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

None

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

include with wider regular audits performed for municipal pension rebates

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

Not that I can think of

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

process control

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

include in report for audit

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

ease of access to credit reimbursement

How would customers prefer to be notified about overpayments?

statement

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

desire to be ahead on their bills in this uncertain time

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

regular updates

Are you an individual or responding on behalf of an organisation?

Organisation

Where are you located?

QLD

Are you urban (major city) / regional (city or town) / rural / remote?

Rural

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

No

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

NO.

As a Centrepay business online user (Community Housing Provider) using it for rent deductions we follow all the applicable procedures and are unaware of any issues with use of the product.

It would be of value for Community Housing Providers whose rent calculation is inclusive of rent assistance to have a detailed discussion about this review as it is the internal workings and timings of the updates of deductions and EVOR that causes issues and needs discussion and reform not the external safeguards around use.

thanks

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

I dont think so.

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

Perhaps rather than excluding some businesses you could charge certain businesses a larger fee for using the Centrepay deduction service.

COMPLIANCE

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

I am unaware of the issues that brought about this review. Perhaps customers using the Business Online Service should be emailed a de-identified newsletter of recent issues with the system just as Worksafe Australia alerts us to Industrial accidents they are investigating - as this alerts would alert us to issues and we could review our practices in a more ongoing way to ensure our practices are not similarly if perhaps unintentionally creating these same issues - rather than waiting until a big review like this. Or as you log on to use the service these case studies could be presented for reading??

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

I work with First Nations and non First Nations poor people who are happy to have overpaid their Energy bills through Centrepay. It is not accidental. They use this as a form of enforced saving for the wet season when they will need airconditioning 24/7. They like to see their funds build up at Ergon. They know they can access the funds when they need them for other things and I have seen Ergon facilitate this no problem transferring excess to the person's bank account when she requested it. The First Nations person I am thinking of preferred having her money build up with Ergon rather than having extra funds in her bank account where family members will require it from her. It was a secret stash.

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

I work with First Nations and non First Nations poor people who are happy to have overpaid their Energy bills through Centrepay. It is not accidental. They use this as a form of enforced saving for the wet season when they will need airconditioning 24/7. They like to see their funds build up at Ergon. They know they can access the funds when they need them for other things and I have seen Ergon facilitate this no problem transferring excess to the person's bank account when she requested it. The First Nations person I am thinking of preferred having her money build up with Ergon rather than having extra funds in her bank account where family members will require it from her. It was a secret stash.

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

I hope you are doing some face to face with mob with a bbq.

Are you an individual or responding on behalf of an organisation?

Organisation

Where are you located?

QLD

Are you urban (major city) / regional (city or town) / rural / remote?

Regional

Are you a person with disability?

Prefer not to say

Are you an Aboriginal or Torres Strait Islander Australian?

Prefer not to say

Are you from a Culturally and Linguistically Diverse (CALD) background?

Prefer not to say

Are you a Centrepay customer?

No

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

yes

DEDUCTION ARRANGEMENTS

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

Services Australia should take more accountability to ensure customers are not contributing more than the cost of goods and services, thus utilizing the Centrepay programme to 'bank'

money. E.g - average rental cost in Regional NSW = \$x/week or average cost of gas supply is \$x/month. Cap the Centrepay at that

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

Absolutely and Services Australia should provide a dedicated support service for Customers so that their specific percentage allocation can be discussed to ensure customers are budgeting adequately.

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

The onus of establishing, maintaining and cancelling Centrepay deductions should be solely managed by the Customer and Services Australia.

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

Access should be limited to customers and Services Australia only. Businesses have no insight as to 'why' customers may be wanting to contribute more than reasonably required for goods or services. They could be trying to save to flee a DV situation or are being financially controlled by others - Businesses contacting these customers forcing return of excess credits could be putting them at harm. Customers should be able to do what they want with their money and any discussions should be between the customer and Services Australia only.

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

As above. Don't allow business to make financial decisions for customers, they don't know the circumstances.

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

Ensure that Services Australia take full responsibility for the complete centrepay deduction scheme. Any changes should be made by Services Australia or the customer to ensure they are rightfully protected at all times.

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

The agency should set up holistic monitoring regimes and work with the businesses for regular reporting, after which the agency should take responsibility to ensuring customers are making Centrepay contributions within the required guidelines.

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

To ensure that the customer is still receiving the goods and services

Businesses should not be monitored against how much a customer chooses to contribute.

All excess credits and refunds should be directed back to Services Australia for remittance to the customer if required.

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

If it is proven that a business fraudulently obtains credits

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

Overpayments should be returned to Services Australia for return to customers. Businesses are not in a position to determine the reasons customers may elect to continue overpaying for goods and services and returning funds to a joint bank account in DV situation could have detrimental impacts for the customer.

How would customers prefer to be notified about overpayments?

Discreetly via Services Australia

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

Set up a robust framework for customers to report data and take responsibility to reunite customers with the funds issued to them via a benefit scheme.

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

Set up a forum with like minded businesses to ensure all learnings and insights are shared without redaction

Are you an individual or responding on behalf of an organisation?

Organisation

What is the name of your business or organisation?

Hunter RTR

Where are you located?

NSW

Are you urban (major city) / regional (city or town) / rural / remote?

Urban

Are you a person with disability?

No

Are you an Aboriginal or Torres Strait Islander Australian?

No

Are you from a Culturally and Linguistically Diverse (CALD) background?

No

Are you a Centrepay customer?

No

POLICY INTENT

Do the critical areas for reform outlined above reflect the evolving needs of customers and stakeholders?

Hunter RTR believes that the critical areas for reform outlined by Services Australia generally reflect the evolving needs of customers and stakeholders. However, we wish to emphasise the importance of ensuring these reforms support not just the broad objectives of financial empowerment and self-management but also recognise the essential role of consumer leasing services in achieving these goals.

Support for Consumer Leasing Services: As a provider of consumer leases for household goods,

it is crucial that the reforms continue to allow Centrepay as a viable payment option for our clients. These services are not merely conveniences but essential supports that enable low-income and financially vulnerable Australians to access necessary goods. Any reform should enhance, not restrict, the ability of such essential services to participate in Centrepay.

Financial Empowerment through Access to Essential Goods: By facilitating regular deductions for payments towards consumer leases, Centrepay helps individuals manage their budgets more effectively and avoid financial harm. The reform should reinforce this pathway to financial empowerment by ensuring that consumer leases remain part of the supported services, given their regulated nature and the protections already in place under ASIC and the NCCP.

Alignment with Industry Regulations: The reforms should align with existing regulatory frameworks that govern our industry. This ensures that the protections and obligations for businesses using Centrepay are consistent with broader financial and consumer protection laws, providing clarity and security for both customers and businesses.

Safeguards and Protections: While we support enhanced safeguards and protections for customers, it is vital that these do not impede the practical usage of Centrepay for essential services. Safeguards should be designed to prevent financial harm without limiting access to necessary goods and services.

Feedback and Adaptation: It is also important that the reform process includes continuous feedback mechanisms involving all stakeholders, including businesses like ours, to ensure that the reforms adapt to real-world impacts and effectively address stakeholder needs.

In conclusion, while the proposed areas for reform are aligned with the needs of customers and stakeholders, it is imperative that they be implemented in a way that continues to support the availability and benefits of consumer leasing services through Centrepay. This will ensure that the reforms truly enhance the financial empowerment and independence of all Australians, recognising that our sector is not high-risk but essential.

APPROVED GOODS AND SERVICES

Does the current list of authorised goods and services include what should be available through Centrepay?

Yes, the current list of authorised goods and services encompasses what should be available through Centrepay. It effectively caters to a broad spectrum of essential needs that align with the program's objective to assist customers in managing their expenses.

Particularly, consumer leases for household goods, which are heavily regulated, play a vital role in facilitating access to necessary items that enhance the quality of life and financial stability for

many Australians. Ensuring these remain part of the Centrepay service is crucial for supporting vulnerable segments of the population in maintaining a decent standard of living.

Are there any specific goods and services, including those already approved on the program as per the listing above, that should be excluded from Centrepay?

No, we believe there should be no exclusions from the currently approved list of goods and services within Centrepay. Each category serves a vital role, especially consumer leases for household goods, which provide essential items under regulated conditions.

Excluding any of these services could lead to greater financial hardship for users who rely on Centrepay to manage their budgets effectively. Instead of exclusions, a focus on rigorous monitoring and compliance to ensure all services adhere to the highest standards would be more beneficial for protecting consumers.

What criteria should be used to consider whether to include or exclude any goods or services?

The criteria for including or excluding goods and services in Centrepay should focus on the following key aspects:

Essentiality: Services should be evaluated based on their necessity for basic living standards. Goods and services that are crucial for everyday living should be prioritised.

Regulatory Compliance: Goods and services should comply with Australian consumer protection laws and financial regulations. This ensures that only those services that meet stringent standards are available through Centrepay.

Consumer Benefit: The potential benefits to the consumer, such as financial stability, access to essential goods, and overall well-being, should be a primary criterion.

Risk Assessment: Services should be assessed for their risk of causing financial harm. High-risk services that could lead to unsustainable debt should be scrutinised and possibly excluded if they do not align with the welfare intentions of Centrepay.

By using these criteria, Centrepay can ensure that it continues to support the financial empowerment of its users while safeguarding them from potential financial risks.

DEDUCTION ARRANGEMENTS

Are the current Centrepay deduction types sufficient and provide the appropriate flexibility to support customers in managing their own finances?

While the current Centrepay deduction types generally provide essential flexibility, Hunter RTR advocates for further enhancements that would allow businesses to suspend and temporarily reduce deductions without cumbersome processes.

This capability is crucial for adapting to the dynamic financial situations of our clients, particularly in consumer leasing, where financial circumstances can change rapidly. Adding these options would empower businesses to offer more responsive support, preventing potential financial distress for customers and maintaining continuity in essential services

Should there be restrictions on the types of deductions (i.e. ongoing, amounts) that can be established for specific goods and services?

Hunter RTR recommends against introducing restrictions such as fixed target amounts for deductions, especially for services like consumer leases where customers' circumstances can frequently change. Imposing such restrictions could complicate the financial management of our clients, who benefit from the fluidity that Centrepay currently offers.

This fluidity allows them to adjust their commitments as their financial situation evolves, minimising risks of over-commitment and enhancing their ability to manage essential expenses without accruing additional financial burden.

Should there be a maximum percentage limit on the amount customers can allocate from their Centrelink payment to their Centrepay deductions? Should this percentage apply to all Centrepay service reasons or to a selection of service reasons?

We advise against setting a maximum percentage limit on the amount customers can allocate from their Centrelink payment to Centrepay deductions. Such a cap does not take into account that many customers have additional income sources, such as salaries, making the 10% cap we adhere to under ASIC regulations non-representative of their total income.

Implementing a maximum percentage based solely on Centrelink payments could unfairly restrict access to necessary services, especially for those who rely on these funds to manage essential expenses through Centrepay.

A holistic view of a customer's income should be considered before imposing any limitations, ensuring that Centrepay continues to serve as a versatile and supportive financial management tool.

Should businesses retain the ability to establish Centrepay deduction arrangements on behalf of customers?

Yes, businesses should absolutely retain the ability to establish Centrepay deduction arrangements on behalf of customers. This capability is crucial for ensuring that deductions are set up efficiently and accurately, reflecting the actual needs and agreements made with the customers.

For industries like ours, which are heavily regulated and committed to high standards of

customer care, this ability helps in providing seamless financial management services that support customers' access to essential goods. Maintaining this ability also allows businesses to swiftly adapt to customer needs, ensuring that financial arrangements are always aligned with their current circumstances.

Should certain businesses have conditions imposed limiting the access they have to manage deductions on behalf of customers?

While it is important to ensure that all businesses using Centrepay are acting responsibly, imposing restrictive conditions broadly could disadvantage businesses that have demonstrated high compliance and responsibility, such as those in heavily regulated sectors like consumer leasing.

Instead of broad restrictions, a tiered access system could be implemented where businesses that meet higher standards of regulatory compliance and customer satisfaction, like Hunter RTR, are granted more flexibility in managing deductions.

This recognises and incentivises responsible business practices while protecting customers from potential abuses.

What are the further conditions that should be applied to deduction arrangements to further strengthen customer protections?

To further strengthen customer protections, any additional conditions should focus on enhancing transparency and ensuring that customers are fully informed about their deduction arrangements.

This could include mandatory regular reviews of deductions with customers, enhanced reporting of deduction activities to customers, and stricter penalties for businesses that violate trust or fail to meet regulatory standards.

However, these conditions should be balanced to ensure they do not unduly restrict the operational capabilities of responsible businesses.

Does the agency's existing Centrepay resources and information available to customers clearly outline the customer authority process and customer's ongoing requirements to manage their deductions?

The agency's existing resources and information generally provide a clear outline of the customer authority process and ongoing requirements to manage deductions.

However, there is always room for improvement in making this information more accessible and easier to understand for all customers, particularly those who may not have a strong financial background.

Enhancing these resources to include more practical examples, simplified language, and better accessibility options would ensure that all customers fully understand their rights and responsibilities when using Centrepay.

BUSINESS

Having regard to the Centrepay Procedural Guide for Businesses, are there any further obligations that businesses should be required to comply with in order to become or remain an eligible registered Centrepay business?

While the current obligations outlined in the Centrepay Procedural Guide for Businesses establish a robust framework, further obligations could be considered to enhance accountability and transparency.

One possible obligation could be the requirement for businesses to undergo periodic third-party audits to verify compliance with Centrepay policies and regulations.

Additionally, businesses could be required to participate in continuous education programs about changes in regulations and best practices, ensuring they remain up-to-date with industry standards and consumer protection laws.

What community expectations could be incorporated into assessing Centrepay registered businesses?

Community expectations are vital in shaping the standards for Centrepay registered businesses.

These might include stronger commitments to customer service, such as responsiveness to inquiries and disputes, transparency in contractual terms, and clear communication about deduction arrangements.

Furthermore, the community might expect businesses to demonstrate social responsibility, such as engaging in fair trading practices and contributing to community welfare.

Incorporating these expectations into the assessment criteria would not only align business practices with community values but also enhance trust and reliability in the Centrepay service.

What risk factors should the agency consider in assessing a business for Centrepay registration?

In assessing a business for Centrepay registration, the agency should consider several risk factors to ensure that only reputable and responsible businesses are allowed to participate. These risk factors include:

Financial Stability: Evaluating the financial health of the business to ensure it can sustain

operations without compromising customer service.

Compliance History: Checking the business's history with respect to regulatory compliance, including any past violations or consumer complaints.

Operational Integrity: Assessing the internal processes and controls of the business to guard against fraud and ensure accurate and secure handling of deductions.

Customer Impact: Considering the potential impact of the business's products or services on customers, especially vulnerable groups, to ensure that they do not contribute to financial hardship or exploitation.

By carefully considering these risk factors, the agency can safeguard the integrity of the Centrepay system and protect the interests of all stakeholders involved.

What, if any, additional conditions should be placed on businesses to ensure increased flexibility and protections for customers when considering the use of Centrepay as a payment method?

Hunter RTR believes that the existing framework and conditions for using Centrepay are robust and serve the intended purpose of protecting customers while providing flexibility.

However, to further enhance operational efficiency and respond more dynamically to customer needs, we propose an improvement in the process for modifying deduction amounts.

Specifically, businesses should have the ability to upload a deduction authority form directly through the Centrepay system when there is a need to increase deduction amounts.

This capability would streamline the process, reduce administrative delays, and allow businesses to adjust deductions promptly based on agreed changes in the customer's circumstances, with their consent.

This adjustment would not compromise customer protection but would improve responsiveness and service quality, ensuring that changes in customer agreements are implemented swiftly and efficiently.

What flags would you expect the agency to be monitoring to trigger engagement with businesses in relation to their compliance with Centrepay policies?

Flags that should trigger the agency's engagement with businesses regarding compliance could include:

High Customer Complaint Rates: An unusual spike in customer complaints could indicate potential misuse of Centrepay or dissatisfaction with how payments are managed.

Failure to Provide Alternative Payment Methods: As Centrepay requires businesses to offer other payment options, the lack of these could be a red flag.

Monitoring these indicators would help ensure businesses adhere to Centrepay's ethical and operational standards, maintaining the program's integrity.

Are there any business models that should be excluded from Centrepay and if so, what criteria should be used to consider their inclusion or exclusion?

While it is crucial to evaluate the suitability of business models for Centrepay, excluding consumer leasing from Centrepay would not be beneficial due to its essential role in providing access to necessary household goods for many Australians. Criteria for exclusion should focus on:

Risk of Financial Harm: Businesses that frequently lead customers into unsustainable debt or financial hardship should be scrutinised.

Lack of Regulatory Compliance: Businesses not adhering to Australian financial and consumer protection laws should be excluded.

Negative Impact on Customer Well-being: Business models that do not demonstrably benefit the customer's well-being or that exploit vulnerable groups should be reconsidered.

Consumer leasing, however, adheres to strict regulations and provides essential services that help maintain living standards, and thus should remain included in Centrepay. The focus should be on ensuring these services continue to operate transparently and responsibly rather than excluding them based on their business model.

COMPLIANCE

What should a business be monitored against to remain registered as a Centrepay business?

To ensure integrity and trust in the Centrepay system, a business should be monitored against several key performance and compliance indicators, which include:

Adherence to Regulatory Requirements: Businesses must comply with all applicable laws and the specific regulations governing their operations, including financial and consumer protection laws.

Deduction Authority Management: The proper obtaining, retaining, and storing of Deduction Authorities, ensuring that these processes are handled securely and in accordance with privacy laws.

Accuracy of Customer Information: Accurate maintenance and confidentiality of customer

information are crucial. Businesses should be assessed on their ability to securely store and correctly use customer data, including the Customer Reference Number (CRN).

Financial Transparency: It is vital that all monies paid by customers are correctly attributed to their accounts, with clear, transparent billing and no hidden fees.

Good Faith Operations: The business's overall operation in line with the Centrepay Framework's intent and purpose, ensuring services are provided fairly and in good faith.

Monitoring these criteria ensures that businesses remain compliant and aligned with the goals of Centrepay, providing safe and reliable services to customers.

What information should be made available, to Centrepay customers and the public, regarding any compliance action taken by Services Australia against a Centrepay registered business?

Transparency in compliance actions is essential for maintaining customer trust and accountability in the Centrepay system. Information that should be made available includes:

Nature of the Compliance Issue: A general description of why a business was found to be non-compliant, categorised by the type of infringement (e.g., misuse of funds, privacy breaches, incorrect billing).

Actions Taken by Services Australia: Details on the measures taken by Services Australia, such as educational interventions, the imposition of additional conditions, suspension, or de-registration.

Status Updates: Regular updates on the status of the compliance review and any remedial actions taken by the business to address the issues.

Guidance for Affected Customers: Clear guidance on what steps customers can take if they are affected by the non-compliance, including contact points for further assistance or to lodge complaints.

Providing this information not only reinforces the accountability of businesses but also empowers customers and the public to make informed decisions regarding their use of Centrepay services.

OVERPAYMENTS

What information and further assistance would be useful to customers when an overpayment has occurred?

When an overpayment occurs, customers should receive comprehensive information that clearly explains the situation, including the amount overpaid, the reason for the overpayment,

and detailed steps on how they can reclaim these funds. Further assistance should include direct customer service support via phone or online portals, where customers can inquire and receive immediate assistance.

Additionally, providing an automated alert system within the Centrepay platform that notifies customers of potential overpayments before they occur would be beneficial. This preemptive approach, coupled with clear instructions on how to adjust or halt deductions, would empower customers to manage their finances proactively.

How would customers prefer to be notified about overpayments?

Customers would likely prefer to be notified about overpayments through multiple channels to ensure they receive the message. These channels should include email, SMS, and notifications through the Centrepay user portal. The notification should be prompt and include all relevant details to resolve the issue efficiently.

Providing options for customers to choose their preferred communication method when signing up for the service would further personalise and improve the customer experience.

What factors are contributing to customers accumulating credit with businesses? And how can the agency better support customers to avoid overpayments with businesses?

Several factors contribute to customers accumulating credit with businesses, including changes in customer circumstances that are not promptly communicated or updated in the Centrepay system, and the lack of flexible adjustment options for ongoing deductions.

To better support customers and avoid overpayments, the agency could implement more dynamic tools within Centrepay that allow both customers and businesses like ours to adjust deduction amounts swiftly and with ease. This would include allowing businesses to submit adjustment requests directly through Centrepay when authorised by the customer, enhancing transparency and efficiency.

Furthermore, introducing a functionality where businesses can process refunds directly via Centrepay, where the system would facilitate withdrawals from our account to refund overpayments, could significantly improve transparency and trust in the system.

This mechanism would ensure that refunds are processed swiftly and accurately, directly benefitting the customer and maintaining a clear record within Centrepay.

CONSULTATION AND ENGAGEMENT

What does meaningful consultation and engagement look like to you with respect to reforming the Centrepay service?

For Hunter RTR, meaningful consultation and engagement in the process of reforming the Centrepay service must embody transparency, inclusivity, and a genuine consideration of the diverse perspectives within the industry. Specifically, it involves several key elements:

Balanced Representation: Engagement should not only include a wide range of stakeholders but also ensure that all sectors, including consumer leasing, are fairly represented without prejudice. This balance helps to counter any undue bias that might be suggested by the framing of consultation questions, ensuring that all opinions and data are considered equally.

Open Dialogue: Meaningful consultation should facilitate open and honest dialogue where feedback is not only solicited but also visibly incorporated into the decision-making process. This includes detailed feedback sessions where businesses can discuss proposed changes, express concerns, and provide alternative solutions that may not have been considered.

Data-Driven Discussions: Decisions should be heavily based on comprehensive data that accurately reflect the realities of all sectors affected by Centrepay, particularly consumer leasing. If the service is perceived as high-risk, the basis of this perception should be clearly communicated and open to scrutiny by stakeholders, allowing for a data-informed discussion rather than one steered by assumptions.

Ongoing Feedback Mechanisms: Instead of one-off consultations, there should be a structured, ongoing mechanism that allows for continuous input and feedback as reforms are implemented and adjusted. This approach ensures that reforms remain relevant and effective, adapting to changing circumstances and insights gained from stakeholder experiences.

Transparency in Decision-Making: The process by which feedback influences policy decisions should be transparent, with clear explanations provided on how stakeholder input has shaped the final outcomes. This transparency builds trust and ensures that all participants understand the rationale behind decisions, even if all suggestions are not adopted.

In conclusion, meaningful consultation for Centrepay reform should ensure that no predetermined outcomes unduly influence the process. Instead, it should foster a collaborative environment where all sectors, especially those like consumer leasing which are essential to the consumers they serve, can contribute meaningfully to a system that supports both business integrity and customer welfare.