



Australian Government
Department of Social Services

Annual Deregulation Report 2014

Department of Social Services

DSS 1546.03.18



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Annual Deregulation Report 2014

Department of Social Services

Foreword

The Australian Government's deregulation agenda is a key Government priority. The Government continues to deliver on its commitment to cut unnecessary red tape, and I am proud that the Department of Social Services has made a strong contribution to this agenda in its first year.

In 2014, the Department has benefited individuals and a range of business and community sectors by removing unnecessary red tape.

We have abolished the National Gambling Regulator, which removed considerable Commonwealth duplication of state and territory government gambling regulatory responsibilities.

We have also made a number of changes to the administration of Disability Employment Services to streamline requirements and support better practice.

In aged care, we have implemented a number of sensible improvements to reduce red tape. For example, duplicative provisions were repealed relating to residential aged care building certification provisions and the repeal of out-dated requirements on aged care providers to notify the Department of changes in key personnel are in train.

In addition, the Aged Care Sector Committee was established to help support the development and implementation of aged care policy by the Australian Government. In partnership with this Committee, a Red Tape Reduction Action Plan was developed. The Red Tape Reduction Action Plan identifies 35 actions for reducing red tape and regulatory burden.

This strong early progress was supported by the development and dissemination of the Department's Framework for Best Practice Regulation that identified areas where regulatory approaches diverged from best practice, together with approaches for addressing them.



These innovations are just the beginning. All across the Department, programme owners are looking at how we manage our interactions with people, organisations and businesses.

I look forward to the Department of Social Services continuing to strongly contribute to the Government's deregulation agenda throughout 2015.

A handwritten signature in blue ink, appearing to read 'Scott Morrison', is positioned below the text. The signature is fluid and cursive, with a prominent initial 'S'.

The Hon Scott Morrison MP

Minister for Social Services

18 March 2015

Table of contents

Foreword	3
Portfolio highlights	6
Summary of key regulatory savings and costs 2014	8
Regulation Impact Statements	10
Portfolio activity supporting the Government's red tape objective	11
Deregulation Unit	11
Ministerial Advisory Councils	11
Letters of Expectation	12
The Audit of Regulations – major findings	15
Stage One	15
Stage Two	16
Consultation.....	16
Appendix A: Measures announced in 2014.....	17
Regulatory Savings.....	17
Ageing and Aged Care	17
Disability Employment Services	18
Social Security	19
Gambling	22
Settlement Services	22
Housing	22
Data collection and access to information	23
Regulatory Costs	24
Disability Employment Services	24
Social Security	24
Measures announced but not implemented in 2014	27
Appendix B: Legislation administered by the Department	28

Portfolio highlights

The Department of Social Services reported \$170 million in net regulatory savings over the period September 2013 to 31 December 2014.



Major regulatory savings for the Department arose from abolishing the National Gambling Regulator and the proposed removal of the mandatory paymaster role for the Paid Parental Leave scheme.

Over the past 12 months, the Department has achieved significant success towards the Government's deregulation commitments by:

- providing significant contributions to both 2014 Parliamentary Repeal Days
- undertaking a comprehensive audit of the Department's regulatory burden to identify opportunities for future regulatory reform
- being fully compliant with all required Regulation Impact Statement and costing requirements
- being a strong and active leader in establishing cross-government stakeholder engagement mechanisms.

Exceeding the formal requirements set by Government has only been a small part of the Department's success in 2014.

It has focussed on a cultural change agenda to improve regulatory practice across the Department to ensure sustainable, long term benefits from this agenda.

In 2014 the Department developed a purpose-built Framework for Best Practice Regulation that provides staff with the tools and resources to regulate well and identify opportunities to cut red tape.

The Department's Deregulation Unit has been very active in engaging with staff across the Department to develop and implement this Framework, and build staff capability in better regulatory practices.

The Deregulation Unit has also worked with priority areas across the Department, as well as engaging strongly with portfolio regulators and stakeholders, in developing proposals for structural regulatory reform that places the Department in good stead to achieve significant regulatory savings in future years.

Reducing regulation in aged care – the South Australian Innovation Hub

The South Australian Innovation Hub is testing and evaluating the concept of ‘earned autonomy’ with aged care providers.

The Hub trial has been limited to ten aged care providers. Regulation will be reduced for high performing providers participating in the trial.

Reduced regulation means providers can focus on delivering a better quality of aged care and involving care recipients in the design and delivery of care.

The Hub trial recognises there needs to be a healthy balance between regulatory safeguards and support for innovative quality aged care services.

All ten aged care providers have met criteria around accreditation, compliance, complaints, prudential and Aged Care Funding Instrument (ACFI) history for entry into the Hub.

The Hub will be independently evaluated after 12 months. Depending on the evaluation outcomes, the Government will consider the feasibility of rolling out the initiative nationally.

Summary of key regulatory savings and costs 2014

Following the machinery-of-government changes in December 2014, responsibility for child care was transferred from the Department of Education into the Social Services Portfolio.

This Annual Deregulation Report covers the deregulatory activities undertaken throughout 2014, many of which preceded and/or were not affected by the machinery-of-government changes. The Department of Education will include in its Annual Deregulation Report any child care deregulation activity prior to the machinery of government changes.

Table 1A: Summary of key regulatory costs reported or announced between September 2013 and 31 December 2014 (details on individual measures are outlined in Appendix A)

KEY MEASURES*	Reported (\$ million)
Disability Employment Services-Disability Management Service – partial tender	2.333
Disability Support Pension revised assessment process	1.463
Student Start-Up Loan measure – replacing the Student Start-up Scholarship	1.436
Apply one week ordinary waiting period for all working age payments	1.012

* This table only includes measures which impose a regulatory cost of over \$1 million.

Table 1B: Summary of key deregulatory savings reported or announced between September 2013 and 31 December 2014

KEY MEASURES*	Reported (\$ million)
Implementing reforms to support responsible gambling	82.306
Progress election commitment to remove mandatory employer role as paymaster of the Paid Parental Leave Scheme	48.539
Abolishment of the Schoolkids Bonus	8.100
Streamlining reporting requirements for Disability Employment Services	7.404
Disability Employment Services – further red tape reduction measures	5.574
Streamlining financial reporting requirements for service providers under the Home Care Programme	4.388
Reduced administrative burden for investors in the National Rental Affordability Scheme through online solutions	3.628
Streamlining aged care building certification requirements	3.587
Better targeting of Family Tax Benefit Part B by reducing the primary earner income limit from \$150,000 per annum to \$100,000 per annum	2.733
Cessation of the Aged Care Workforce Supplement	2.587
Streamlining of forms for the Aged Care Approvals Round (ACAR)	2.084

* This table only includes measures which impose a regulatory saving of over \$2 million.

Regulation Impact Statements

The Department has been found compliant by the Office of Best Practice Regulation (OBPR) for its Regulation Impact Statement (RIS) activity in the 1 July 2013–30 June 2014 reporting period. Three standard-form RISs were completed by the Department in that period for the following measures:

- Repeal of the Australian Charities and Not-for-profits Commission
- Regulation of aged care accommodation payments and the simplification of the residential aged care pricing system
- Removing the mandatory employer role from the current Paid Parental Leave Scheme.

For more information on these RISs, go to the OBPR website.¹

For measures announced in 2014 that did not require a RIS, the Department completed self-assessed regulatory costings for each measure.

Table 2: Regulation Impact Statement compliance 2014

	RIS Compliance	PM's Exemptions	PIR required
Department of Social Services Total	3	0	0

¹ <http://ris.dpmc.gov.au/>

Portfolio activity supporting the Government's red tape objective

Deregulation Unit

In October 2013, the Department established its Deregulation Unit under the direction of a Senior Executive Service (SES) Band 1 officer, with 6.5 additional full-time equivalent (FTE) staff.

The Deregulation Unit is responsible for:

- tracking the Department's progress against its regulatory savings target and supporting the delivery of additional savings measures
- providing support to the Department in tracking regulatory impacts and complying with Regulation Impact Statement requirements
- driving a significant shift in the culture and practices of staff, focused on risk-based approaches to policy and program design, and proportional regulatory treatments.

Ministerial Advisory Councils

In preference to establishing a new Ministerial Advisory Council on deregulation, the former Minister for Social Services, the Hon Kevin Andrews MP, chose to use formal, ongoing consultation groups such as the Aged Care Sector Committee and the Community-Business Partnership and ad-hoc targeted consultations, to test policy issues of relevance to the portfolio.

This approach is consistent with the Government's aim to reduce the number of non-statutory advisory bodies. It also reinforced the portfolio's established approach to continuous consultation with stakeholders, including through the funding of advocacy groups, peak bodies, welfare groups and industry groups.

This structure was selected because it recognised the depth and breadth of existing consultation mechanisms; effectively achieved the Minister's responsibilities to consult on deregulation and other policy priorities, without establishing and funding a new Ministerial Advisory Council; maximised the role and responsibilities of advisory groups that are funded through the portfolio to develop options supporting the deregulation agenda; ensured well-established and valued stakeholder consultation mechanisms maintained their relevance and contribution to Government's priority social policy agendas; and efficiently engaged four new non-statutory consultation bodies in supporting Government's goal to boost productivity and reduce regulation.

Table 3: Department of Social Services Ministerial Advisory Councils

Name of Ministerial Advisory Council	Meeting date(s)
Aged Care Sector Committee	9 May, 13 June, 21 July, 5 September, 20 November
Community-Business Partnership	3 December

In addition, the Department undertook stakeholder consultations throughout the year with key sectors to test the findings of the Department's regulation audit and to discuss opportunities for regulatory reform.

The Deregulation Units of both the Department and the Department of Human Services (DHS) have been working closely to ensure that information is shared from stakeholder meetings regarding red tape reduction.

A 23 December 2014 Administrative Arrangements Order transferred responsibility for child care to the Department from the Department of Education. The Department has assumed responsibility for the Ministerial Advisory Council on Child Care and Early Learning. This Ministerial Advisory Council will be used by the Department in future consultation with the child care and early learning sectors.

Letters of Expectation

As part of the deregulation agenda, the Government has committed to improving the administration of regulation and the performance of regulators. This commitment includes issuing letters from ministers to heads of regulatory bodies within their portfolio, setting out performance expectations.

The Department has two portfolio bodies that exercise regulatory functions: the National Disability Insurance Agency and the Australian Aged Care Quality Agency.

In addition, the Department also has two statutory office holders; the Aged Care Commissioner and the Aged Care Pricing Commissioner. These office holders exercise independent statutory functions with administrative support from the Department. Of these, the Aged Care Pricing Commissioner has regulatory functions.

Further, the National Accreditation Authority for Translators and Interpreters Ltd (NAATI) is a company owned jointly by the Commonwealth and state and territory governments which exercises regulatory functions by providing accreditation and other credentialing services for translators and interpreters.

Letters of expectation co-signed by the former Social Services Minister, the Hon Kevin Andrews MP, and the Assistant Minister for Social Services, Senator the Hon Mitch Fifield, were sent on 4 April 2014 to the following Department portfolio bodies and statutory office holders considered to have regulatory functions under their legislation:

- National Disability Insurance Agency
- Aged Care Pricing Commissioner
- Aged Care Commissioner
- Australian Aged Care Quality Agency.

The letters were published on the Department of Social Services website on 28 April 2014.² These letters covered:

- the broader government policy framework in which the regulator must operate, starting with the Government's red tape reduction programme
- strategic direction (to the extent legislation allows) on how work is to be conducted by the regulator, broad guidance on the role of the regulator and on the Government's vision of how regulators should operate with business and the community
- an acknowledgement that while the Government will have a broad role in setting policy and regulatory posture, it is important that regulators, where appropriate, exercise their regulatory functions in accordance with their legislation
- the expectation that regulators act in accordance with best practice. That is, that they should ensure transparency and accountability in decision-making; and adopt approaches, processes and communication practices that minimise regulatory burden and maximise clarity and transparency
- a preference for regulators to adopt a risk based approach in relation to compliance obligations and enforcement responses, such as increased targeting of those businesses and activities which present a higher risk in relation to the matter being regulated, and for adoption of lesser compliance cost approaches for lower risk businesses.

In addition to the above portfolio bodies, on 1 April 2014, Deputy Secretary Barbara Bennett wrote to the Chief Executive Officer of the National Accreditation Authority for Translators and Interpreters Ltd (NAATI), outlining the Government's deregulation agenda and encouraging the jointly-owned Commonwealth, state and territory owned corporation to consider the Government's expectations in relation to reducing regulation.

² <http://www.dss.gov.au/about-the-department/portfolio-bodies-and-statutory-office-holders>

The Department also provided advice to Minister Andrews that the Department's range of internal regulatory functions would be performed in accordance with the Government's commitment to boost productivity and reduce regulation.

On 6 May 2014, the Department's Secretary, Finn Pratt, emailed all SES staff outlining his expectations of them under the Government's commitment, including:

- adopting a risk-based and proportional approach to regulation
- complying fully with the Government's new Regulation Impact Statement requirements and directions from Cabinet
- pursuing opportunities to reduce regulation and red tape burdens that the community recognises as genuine productivity gains.

The Audit of Regulations – major findings

The Department conducted a two-stage audit to estimate the burden of the regulation for which it had responsibility for under the 3 October 2013 Administrative Arrangements Orders. This included identifying primary acts, subordinate instruments and quasi-regulation (Stage One) and estimating the costs of these regulations (Stage Two). Stage One was completed in June 2014 and Stage Two was completed in December 2014.

Stage One

The table below summarises the count of the frameworks and regulation administered by the Department, categorised by level of burden.

Frameworks and regulation that are administered by the Department of Human Services have been listed in the Zero Cost Burden column. The regulatory burden of these frameworks was assessed and included in the Department of Human Services' audit, in line with guidance from the Office of Deregulation in the Department of the Prime Minister and Cabinet.

Table 4: Results of Stage one of the Department of Social Services' audit of regulations

Regulation Type		Counts of Regulations				Grand Total
		High Burden	Medium Burden	Low Burden	Zero Cost Burden	
Frameworks	Frameworks	3	6	4	4	17
	Primary Legislation	11	17	1	28	57
	Subordinate Instruments	55	5	0	351	411
	Quasi-regulations (administrative processes)	95	98	49	0	242

Stage Two

Stage Two involved costing the regulatory requirements identified in Stage One to identify the cost of the regulatory burden the Department places on the community.

The Department costed the entirety of its regulatory stock for Stage Two of the audit, excluding regulation that is administered by the Department of Human Services.

Noting that it does not capture work progressed since October 2013 to improve regulatory practices, and that regulation relating to social security payments was not included, the key findings from the Stage Two audit included that:

- Aged care was the highest burden framework
- Individual agreements and assessments in the areas of disability and aged care have a high regulatory burden (on both organisations and individuals)
- The majority of burden experienced by grant-funded organisations relates to performance reporting requirements, followed by application processes, although the latter burden is significantly less than the reporting requirements burden.

Consultation

The former Minister for Social Services, the Hon Kevin Andrews MP, convened a meeting with a group of key stakeholders on 25 June 2014 to test the findings of the Department's regulation audit, and to canvass views about priority areas for regulatory reform within the Department. Given the breadth of the Social Services portfolio, representatives from key stakeholder groups and front line practitioners were invited to attend this meeting.

In addition, the Department used existing stakeholder meetings, and arranged ad hoc meetings with stakeholders to test the audit findings by sector.

Stakeholders agreed with the audit findings, and provided advice to the Department on areas where they considered there were opportunities for regulatory reform.

Appendix A: Measures announced in 2014

The value of some regulatory costs and savings listed in this Annual Deregulation Report may differ to amounts previously reported in the 2014 Autumn Repeal Day and 2014 Spring Repeal Day summary documents, as a result of up-to-date information becoming available. Measures marked with an asterisk (*) indicate where a recosting has occurred.

Regulatory Savings

Ageing and Aged Care

Cessation of the Aged Care Workforce Supplement

- On 13 December 2013, the Aged Care Workforce Supplement was discontinued.
- The Government redirected \$1.5 billion in Aged Care Workforce Supplement funding to the sector over five years from 2013-14, consisting of \$1.1 billion between 2013-14 and 2016-17 and \$0.4 billion in 2017-18. This reduced red tape as providers will have more flexibility in how to use these additional funds.
- The Department has estimated that this will lead to an annual saving of \$2.587 million in compliance costs.

Streamlining the pricing process for residential aged care*

- The Government removed the requirement for residential aged care providers to follow a prescriptive process in setting accommodation prices which was to commence on 1 July 2014.
- Under the changes, providers are only required to publish all accommodation prices and information about their facility and seek approval from the Aged Care Pricing Commissioner to charge accommodation payment amounts above a \$550,000 lump sum (or daily payment equivalent).
- These changes will make the sector more transparent and competitive in a way that places less administrative burden on providers.
- The Department has estimated that this will lead to an annual saving of \$1.703 million in compliance costs.

Streamlining of Quality Reporting Processes for Aged Care service providers

- From 1 January 2014, the Department introduced streamlined quality reporting processes for aged care service providers.
- Streamlining quality reporting will reduce the amount of duplicative reporting aged care providers are required to submit to the Commonwealth.
- The Department has estimated that this will lead to an annual saving of \$0.077 million in compliance costs.

Measures from the Aged Care Sector Red Tape Reduction Action Plan

- The Government's Aged Care Sector Committee has developed a Red Tape Reduction Action Plan to reduce red tape for the aged care sector.
- The Plan identifies a total of 35 items as possible red tape reduction opportunities with 20 of these items recognised as 'to be actioned' and a further 15 highlighted as 'to be explored'.
- A number of items from the Action Plan were completed during 2014. Some of these actions included:
 - removal of the requirement for residential aged care service providers to notify the Department of non-compliance with state and territory fire laws as fire safety regulation is the responsibility of state and territory governments;
 - streamlining the Annual Prudential Compliance Statements form from 21 to 14 pages and introducing a providers' self-assessment toolkit;
 - streamlining of the 2014 Aged Care Approvals Round, including simplifying the application process, forms and guidance material;
 - streamlining of the reporting requirements for Home Care Package providers by reducing the number of financial reports required per year;
 - removal of building certification requirements, that duplicated state building requirements under the Building Code of Australia; and
 - removal of the requirements for a progressive financial activity report for some National Respite of Carers Programme and Day Therapy Centres providers.
- The Department has estimated that the items completed from the Action Plan in 2014 will lead to an annual saving of nearly \$10.898 million in compliance costs.

Disability Employment Services

Streamlining reporting requirements for Disability Employment Services (DES)*

- On 20 December 2013, Senator the Hon Mitch Fifield, Assistant Minister for Social Services, announced administrative changes to reduce the burden on DES providers.
- These changes included:
 - providing DES providers with greater certainty about programme settings by confining changes to the programme guidelines to a quarterly basis;
 - doubling the claim period for outcome fees (from 28 days to 56 days);
 - removing the need for DES providers to keep paper copies of records if they have electronic copies; and
 - reviewing the 54 DES programme guidelines in order to streamline and provide greater clarity about programme requirements.
- The Department has estimated that these measures will lead to an annual saving of \$7.404 million in compliance costs.

Disability Employment Services (DES) – further red tape reduction measures*

- On 14 August 2014, Senator the Hon Mitch Fifield, Assistant Minister for Social Services, announced a further six red tape reduction measures under the DES programme.
- These measures included:
 - Enhanced IT functionality to enable participants to accept their Employment Pathway Plan on the Australian Job Search website;
 - DES providers no longer needing to collect and retain documentary evidence from the employer or participant for an outcome claim if there is sufficient data from the Department of Human Services to support the claim for payment;
 - Where employers do not require a medical certificate, DES providers will now be able to satisfy documentary evidence requirements for a permissible break with a signed statement from the employer, rather than a medical certificate;
 - News items are now published on the online provider portal once a week instead of sporadically to streamline information management;
 - System enhancements to the Department's IT systems allowing for streamlined processes and the automation of Relocation Assistance to Take up a Job Programme reimbursements, thereby reducing the number of manual special claims submitted; and
 - DES providers now being able to use payslips as an alternative form of documentary evidence to support outcome fee claims for participants in unsubsidised self-employment.
- The Department has estimated that these measures will lead to an annual saving of \$5.574 million in compliance costs.

Streamlining processes for Australian Disability Enterprises (ADEs)*

- The Section 5 Guidelines under the *Disability Services Act 1986* have been amended to streamline the process for mergers and amalgamations of ADEs from March 2014.
- This will provide greater flexibility and reduced red tape for ADEs that wish to merge for viability and sustainability reasons.
- The Department has estimated that this will lead to an annual saving of nearly \$0.017 million in compliance costs.

Social Security

Abolishment of Schoolkids Bonus

- On 2 September 2014, legislation passed to end the Schoolkids Bonus payments. The Schoolkids Bonus will continue until the end of 2016 to allow families time to adjust to the change.
- Once the payment ceases, parents will no longer be required to comply with requirements relating to the payment. For example, parents will no longer be required to notify the Department of Human Services of transitions to secondary school.
- The Department has estimated that this will lead to an annual saving of \$8.100 million in compliance costs.

Better targeting of Family Tax Benefit (FTB) Part B by reducing the primary earner income limit from \$150,000 per annum to \$100,000 per annum

- From 1 July 2015, the primary earner income limit for FTB Part B will be \$100,000 instead of \$150,000.
- This means that where the income of the primary earner in a family is more than \$100,000 they will not be eligible to receive the payment. Families who were only entitled to FTB Part B to begin with will no longer be required to comply with requirements relating to the payment. For example, providing an estimate of the family's income at the beginning of the financial year.
- The Department has estimated that this will lead to an annual saving of \$2.733 million in compliance costs.

Social Security – From 1 January 2015, the deeming rules that apply to financial investments will be extended to account-based income streams

- From 1 January 2015, the deeming rules that apply to financial investments will be extended to account-based income streams, also known as allocated pensions and account based pensions.
- Some recipients with an account-based income stream will have reduced reporting requirements under the deeming provisions compared to the previous income stream rules. In addition, a small number of people will lose eligibility for the payment, and will therefore no longer be required to comply with the regular reporting requirements.
- The Department has estimated that this will lead to an annual saving of \$1.245 million in compliance costs.

Remove the per-child add-on that currently applies for each child after the first under the income test for the base rate of Family Tax Benefit (FTB) Part A

- From 1 July 2015, the FTB Part A per child add-on will be removed to the higher income free threshold for each additional child.
- Some families will lose their eligibility for the payment as a result of this change and will therefore no longer be required to comply with the associated requirements relating to the payment (e.g. estimating their income, and balancing their payments).
- The Department has estimated that this will lead to an annual saving of \$0.286 million in compliance costs.

Limit the Family Tax Benefit (FTB) Part A large family supplement to families with four or more children

- From 1 July 2015, the FTB Part A large family supplement will be limited to families with four or more children.
- Some families with three or more children, who no longer receive large family supplement for their third child as a result of this change, will also lose eligibility for FTB Part A, and will therefore no longer be required to comply with the associated requirements relating to the payment.
- The Department has estimated that this will lead to an annual saving of \$0.273 million in compliance costs.

Early termination of the Home Energy Saver Scheme (HESS)

- HESS terminated on 30 June 2014, one year earlier than scheduled. HESS formed part of the previous Government's climate change plan. HESS assisted low-income households across Australia experiencing difficulty meeting and paying for their energy needs. It provided energy efficiency and financial management information and education, including advice, advocacy, support and referral to the No Interest Loans Scheme and subsidies to help households purchase energy efficient appliances.
- The termination of HESS means that providers of the Scheme will no longer be required to meet performance reporting requirements or undertake financial acquittals.
- The Department has estimated that this will lead to an annual saving of \$0.148 million in compliance costs.

Income Management — one year extension and expansion to Ceduna, South Australia (including eliminating requirement for eligible businesses to issue or keep itemised receipts)

- In the 2014-15 Budget, the Government announced that Income Management will continue until 30 June 2015 in the Northern Territory; parts of Western Australia; and the Anangu Pitjantjatjara Yankunyathatjara Lands in South Australia. In addition, Income Management was rolled out from 1 July 2014 until 30 June 2015 in South Australia to the Ceduna Local Government Area, and in locations surrounding Ceduna.
- Previously, all BasicsCard merchants were required to retain itemised receipts for two years, which was particularly onerous for those businesses without automated and itemised point-of-sale systems, as they would need to write and store manual receipts for every BasicsCard transaction.
- Under the extension and expansion of Income Management, BasicsCard merchants not selling excluded items are no longer required to keep itemised receipts for BasicsCard transactions.
- The Department has estimated that this will lead to an annual saving of \$0.070 million in compliance costs.

Social Security Agreement with India: Facilitating business between Australia and India

- A Social Security agreement with India was signed on 18 November 2014 and is expected to start on 1 July 2015.
- This agreement facilitates business between Australia and India by exempting from the requirement to pay compulsory contributions into both countries' superannuation/pension systems for temporarily seconded workers, as long as they remain subject to their home country's system.
- The agreement reduces compliance burden for both Australian and Indian businesses. In addition, the regulatory burden on Australian superannuation funds is lowered as they will not have to process as many superannuation payments. There will also be less unclaimed superannuation money sent to the Australian Tax Office by superannuation funds resulting from this agreement.
- It is estimated that this will lead to an annual saving of \$0.012 million in compliance costs.

Gambling

Implementing reforms to support responsible gambling*

- The Social Services and Other Legislation Amendment Bill 2013, which included changes to Commonwealth gambling regulation, received Royal Assent on 31 March 2014.
- As part of the first stage of implementing the Government's national approach to gambling, the National Gambling Regulator was abolished, removing considerable Commonwealth duplication of state and territory government gambling regulatory responsibilities. Also repealed were the requirements for a \$250 limit on cash withdrawals from ATMs in gaming venues, state-wide voluntary pre-commitment and mandatory capability requirements, and dynamic warning requirements for gaming machines.
- These changes will save considerable costs to the industry, as well as manufacturers and importers. This makes way for the Government's second stage, to work with state and territory governments, industry, the community sector, and researchers on implementing reforms to help problem gamblers.
- The Department has estimated that this will lead to an annual saving of \$82.306 million in compliance costs.

Settlement Services

Introduction of a new performance management regime, including streamlined key performance indicators

- From 1 October 2014, the Department introduced streamlined contract performance reporting for 16 service providers delivering Humanitarian Settlement Services (HSS).
- This streamlining decreases the number of Key Performance Indicators under the HSS contracts from 23 to 16.
- The Department has estimated that this will lead to an annual saving of \$0.058 million in compliance costs.

Housing

Reduced administrative burden for investors in the National Rental Affordability Scheme (NRAS) through online solutions

- In April 2014, the Department implemented an updated IT solution to reduce the administrative burden on participants in the NRAS.
- As a result, participants can provide their compliance information throughout the year at point of collection thereby reducing their end-of-year workload. The IT solution will allow participants to monitor dwelling compliance throughout the year. When fully implemented, there will be faster processing of payments due to guided online entry and instant validation of tenancy information.
- The Department has estimated that this will lead to an annual saving of \$3.628 million in compliance costs.

Data collection and access to information

Streamline data collection for Family Mental Health Support Services

- In April 2014, the Department introduced changes to streamline the data collection for the Family Mental Health Support Service.
- This measure involved changes to the online information portal to reduce the reporting impost on providers as the pre-existing system was cumbersome.
- The Department has estimated that this will lead to an annual saving of \$0.183 million in compliance costs.

Publishing the Department's data sets on Data.gov.au

- On 3 July 2014, the former Minister for Social Services, the Hon Kevin Andrews MP, announced that more comprehensive and easier to use income support data will be available on the data.gov.au website.
- This measure means that individuals will have access to more timely data in a format that encourages analysis and the creation of new ideas to improve the welfare system.
- The Department has estimated that this will lead to an annual saving of \$0.003 million in compliance costs.

Regulatory Costs

Disability Employment Services

Disability Employment Services-Disability Management Service (DES-DMS) – partial tender

- On 6 November 2014, Senator the Hon Mitch Fifield, Assistant Minister for Social Services, announced the outcome of the DES-DMS tender process. From 2 March 2015, the Australian Government agency CRS Australia will no longer deliver DES-DMS as the non-government sector has shown it can effectively deliver the service.
- The business of CRS Australia will instead be delivered by successful tenderers with a record of high performance in helping people with disability find and keep a job. This is also the first time that the entire disability employment market has been fully open to competition.
- Competitive tenders drive efficiency and innovation in service delivery, resulting in increased benefits and better outcomes for people with a disability. However, there are some short-term regulatory impacts that arise such as the application costs for the partial tender for all organisations that applied, and the ongoing post-application compliance costs on the successful organisations (e.g. reporting requirements).
- The Department has estimated that this measure will lead to an annual cost of \$2.333 million in compliance costs.

Social Security

Disability Support Pension (DSP) revised assessment process

- On 12 December 2014, the Minister for Social Services announced that from 1 January 2015, Australian Government-contracted doctors will assess new claims for the DSP to achieve consistency and equity across the country.
- Also from 1 January 2015, for certain customers the Treating Doctor Report will no longer be part of the DSP claim process. Instead, claimants will need to provide existing medical evidence to Centrelink as part of a claim. Claimants will still be referred for a Job Capacity Assessment (JCA), unless they do not meet the non-medical eligibility requirements for DSP or have been assessed as being manifestly eligible. Following a JCA, claimants may be referred for a face-to-face Disability Medical Assessment with a Government-contracted doctor.
- Initially these changes will apply to DSP claimants 35 years of age or under, starting with those under 25, who live in a capital city. From 1 July 2015 the changes will apply to all DSP claimants.
- The Department has estimated that this will lead to an annual cost of \$1.463 million in compliance costs.

Compulsory participation requirements for Disability Support Pension (DSP) recipients aged under 35 years

- On 1 July 2014, the Government introduced compulsory work-focussed activities for DSP participants under 35 years of age with an assessed work capacity of eight hours or more a week who have participation requirements.
- A number of these recipients will be required to provide evidence of their attendance at their compulsory activities. Compliance costs arise in relation to the time taken for the individual and service provider to obtain this proof of attendance. As mutual obligation activity is excluded under the Regulatory Burden Measurement framework, the requirement for these recipients to undertake the compulsory activities has not been quantified.
- The Department has estimated that this will lead to an annual cost of \$0.744 million in compliance costs.

Regulation imposed on service providers and clients by the new Stronger Relationships Trial

- On 1 July 2014, the Minister for Social Services announced the Stronger Relationships Trial, a one-year trial of providing \$200 vouchers to up to 100,000 couples to assist them to access marriage and relationship education and counselling.
- Couples will be required to register for the programme online, indicate whether they are willing to be contacted for a follow-up evaluation, provide contact details and answer up to eight demographic questions. Service providers can claim a \$200 reimbursement for each couple after the completion of service provision through the Department's online financial management system.
- The Department has estimated that this will lead to an annual cost of \$0.720 million in compliance costs.

Limit the six-week portability period for student payments to certain absences

- From 1 January 2015, students who travel overseas will only be eligible to continue to receive student payments (Youth Allowance, Austudy and ABSTUDY) where they are undertaking approved overseas study that is part of their full-time Australian course; attending an acute family crisis; receiving eligible medical treatment not available in Australia; or attending a training camp with the Australian Armed Forces Reserves.
- Students are still required to demonstrate that overseas travel is for an approved reason. No new regulations or requirements are imposed, except where the reason for travel is for the purposes of attending an acute family crisis. These students will be required to obtain approval to retain access to their payments while overseas, which was not previously required.
- The Department has estimated that this will lead to an annual cost of \$0.069 million in compliance costs.

Commonwealth Seniors Health Card – include non-taxable superannuation income into the CSHC income test

- From 1 January 2015, non-taxable superannuation income will be included in the Commonwealth Seniors Health Card (CSHC) income test. This means that superannuation account-based income streams will be deemed under the existing deeming rules for the Age Pension.
- CSHC applicants are currently required to report their taxable income by showing Centrelink their Tax Notice of Assessment. This measure requires applicants to additionally show the amount of untaxed superannuation balances to Centrelink.
- The Department has estimated that this will lead to an annual cost of \$0.055 million in compliance costs.

Introduction of the Young Carer Bursary Programme

- During the 2013 election campaign, the Government announced the establishment of a Young Carer Bursary Programme, to begin on 1 January 2015. The bursary seeks to reduce the financial burden through approximately 150 bursaries annually over three years to allow young carers to continue their studies.
- Applicants are required to fill in a two page form to apply for the programme, including providing evidence of enrolment in an education institution and evidence of ongoing care. Participants in the programme are also required to complete several surveys during the programme to ascertain ongoing eligibility.
- The Department has estimated that this will lead to an annual cost of \$0.001 in compliance costs.

Measures announced but not implemented in 2014

Measure	Cost / saving [†] announced \$m	Status
<p>Progress election commitment to remove mandatory employer role as paymaster of the Paid Parental Leave Scheme</p> <p>This reform was introduced into Parliament on 20 November 2013 and is currently before the Senate.</p>	\$ - 48.539	Before the Senate
<p>Remove requirement for aged care service providers to notify the Department of changes to key personnel*</p> <p>This reform was introduced into Parliament on 22 October 2014 as part of the 2014 Spring Repeal Day and is currently before the House of Representatives.</p>	\$ - 1.742	Before the House of Representatives
<p>Australian Disability Enterprises: Regulatory savings associated with the introduction of the new Business Services Wage Assessment Tool Scheme in late 2014</p> <p>On 24 November 2014, the legislation to implement this reform was not passed by the Senate.</p>	\$ - 0.201	Primary legislation not passed by the Senate
<p>Amendments to the <i>Social Security (Administration) Act 1999</i> to allow for the provision of social security information to third parties for research and statistical analysis*</p> <p>This reform was introduced into Parliament on 22 October 2014 as part of the 2014 Spring Repeal Day and is currently before the House of Representatives.</p>	\$ - 0.008	Before the House of Representatives
<p>Student Start-Up Loan measure – replacing the Student Start-up Scholarship</p> <p>This reform was introduced into Parliament on 17 July 2014 and is currently before the Senate.</p>	\$ 1.436	Before the Senate
<p>Apply a one week ordinary waiting period for all working age payments</p> <p>This reform was introduced into Parliament on 2 October 2014 and is currently before the Senate.</p>	\$ 1.012	Before the Senate

[†] Measures with a regulatory saving are denoted by a minus sign (-).

Appendix B: Legislation administered by the Department Taken from the 23 December 2014 Administrative Arrangements Order

A New Tax System (Family Assistance) Act 1999

A New Tax System (Family Assistance) (Administration) Act 1999

A New Tax System (Family Assistance and Related Measures) Act 2000

Aged Care Act 1997

Aged Care (Bond Security) Act 2006

Aged Care (Bond Security) Levy Act 2006

Aged Care (Consequential Provisions) Act 1997

Aged Care (Transitional Provisions) Act 2013

Australian Aged Care Quality Agency Act 2013

Australian Aged Care Quality Agency (Transitional Provisions) Act 2013

Carer Recognition Act 2010

Charities Act 2013, except to the extent administered by the Treasurer

Child Care Act 1972

Child Support and Family Assistance Legislation Amendment (Budget and Other Measures) Act 2010

Child Support (Assessment) Act 1989

Child Support Legislation Amendment (Reform of the Child Support Scheme – Initial Measures) Act 2006

Child Support Legislation Amendment (Reform of the Child Support Scheme – New Formula and Other Measures) Act 2006

Child Support (Registration and Collection) Act 1988

Clean Energy (Household Assistance Amendments) Act 2011, Part 3 of Schedule 2

Commonwealth and State Housing Agreement Act 1945

Data-matching Program (Assistance and Tax) Act 1990

Disability Services Act 1986

Early Years Quality Fund Special Account Act 2013

Family Assistance Legislation Amendment (Child Care Management System and Other Measures) Act 2007

Families, Community Services and Indigenous Affairs and Other Legislation (2006 Budget and Other Measures) Act 2006, except to the extent administered by the Minister for Veterans' Affairs

Families, Community Services and Indigenous Affairs and Veterans' Affairs Legislation Amendment (2006 Budget Measures) Act 2006, except to the extent administered by the Minister for Veterans' Affairs

Families, Housing, Community Services and Indigenous Affairs Legislation Amendment (Further 2008 Budget and Other Measures) Act 2008

Family Assistance Legislation Amendment (More Help for Families – One-off Payments) Act 2004

Family Assistance and Other Legislation Amendment (Schoolkids Bonus Budget Measures) Act 2012, Part 2 of Schedule 1

Family Law Act 1975, Part XIVA

Home and Community Care Act 1985

Housing Agreements Acts

Housing Assistance Acts

Household Stimulus Package Act (No. 2) 2009, except to the extent administered by the Minister for Veterans' Affairs or the Minister for Agriculture

Marriage Act 1961, Part IA

National Disability Insurance Scheme Act 2013, except to the extent administered by the Treasurer

National Gambling Reform Act 2012

National Gambling Reform (Related Matters) Act (No.1) 2012

National Gambling Reform (Related Matters) Act (No.2) 2012

National Health Act 1953, Part III

National Rental Affordability Scheme Act 2008

Not-for-profit Sector Freedom to Advocate Act 2013

Paid Parental Leave Act 2010

Social and Community Services Pay Equity Special Account Act 2012

Social Security Act 1991, except to the extent administered by the Attorney General or the Minister for Employment

Social Security (Administration) Act 1999, except to the extent administered by the Attorney-General or the Minister for Employment

Social Security Legislation Amendment (One-off Payments for Carers) Act 2005

Social Security (International Agreements) Act 1999

Social Security and Other Legislation Amendment (Economic Security Strategy) Act 2008, except to the extent administered by the Minister for Veterans' Affairs

Social Security and Veterans' Entitlements Legislation Amendment (One-off Payments and Other Budget Measures) Act 2008, except to the extent administered by the Minister for Veterans' Affairs

Social Security and Veterans' Entitlements Legislation Amendment (One-off Payments to Increase Assistance for Older Australians and Carers and Other Measures) Act 2006, except to the extent administered by the Minister for Veterans' Affairs

Social Security and Veterans' Affairs Legislation Amendment (One-off Payments and Other 2007 Budget Measures) Act 2007, except to the extent administered by the Minister for Veterans' Affairs

Social Welfare Commission (Repeal) Act 1976

Student Assistance Act 1973

Supported Accommodation Assistance Act 1994

Tax Laws Amendment (Simplified Superannuation) Act 2007, Item 20 of Schedule 8 insofar as it relates to legislation administered by the Minister for Social Services