



AUSTRALIAN COLLECTORS &  
DEBT BUYERS ASSOCIATION

**MEDIA RELEASE** - 10 December 2020

## ***Services Australia Tender: External Debt Collection Agents***

A recent media article<sup>1</sup> about a tender for debt management services to supplement the internal activities of Services Australia in managing and collecting debt owed to the Commonwealth suggested successful tenderers “*must continuously compete to beat rigorous financial targets for recovering money from customers*”.

Measuring performance is integral to the success of any outsourced arrangement particularly in this case for Services Australia and its customers, many of whom may be in vulnerable situations.

Services Australia will reportedly adopt a performance framework to conduct monthly reviews of successful tenderers against a list of key performance targets utilising a balanced scorecard to measure tenderers’ performance against four elements: debt recovery performance; customer satisfaction levels; meeting service levels and contractual arrangements; and quality operational outcomes.

Australian Collectors & Debt Buyers Association CEO Alan Harries said: “the proposed performance framework will serve to appropriately protect both the Commonwealth and Service Australia’s customers”.

Australian collection firms are subject to an array of compliance obligations including minimum conduct expectations in accordance with relevant Australian legislation and standards, industry practice and relevant industry codes, policies and guidelines, including the Competition and Consumer Act 2010 (Cth); the National Consumer Credit Protection Act 2009 (Cth); and the joint ACCC/ASIC Debt Collection Guideline for Collectors and Creditors.

Collection firms maintain externally reviewed accreditations, including quality and data security standards - increasingly adopting higher internal standards to compete on compliance. Industry clients also regularly conduct audit reviews to ensure strict compliance to relevant regulations and contractually agreed standards.

---

<sup>1</sup> “Robodebt ‘forgotten’ as tough targets revealed for Centrelink debt collectors” by Daniel Ziffer, abc.net.au – 9 December 2020

Members of the Australian Collectors & Debt Buyers Association (ACDBA) as Subscribers to the ACDBA Code of Practice<sup>2</sup> are required to meet the Code's obligations.

“Strong collection results are not predicated on illegal or unethical practices – the industry has established successful debt collection in 2020 involves listening to consumers and responding to their circumstances” reported Mr Harries.

Australian debt collectors have an established expertise in dealing with hardship for consumers in vulnerable circumstances, evidenced by the very low incidence of consumer complaints<sup>3</sup>.

-Ends

Alan Harries  
CEO – ACDBA  
02 4925 2099

---

<sup>2</sup> Australian Collectors & Debt Buyers Association Code of Practice 2<sup>nd</sup> Edition January 2020 [www.acdba.com](http://www.acdba.com)

<sup>3</sup> Australian Collectors & Debt Buyers Association FY2020 Industry Data Survey [www.acdba.com](http://www.acdba.com) – incidents from consumers as a ratio of >110 million consumer contacts were 0.02%