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CENTREPAY INCORRECT PAYMENT POLICY

PURPOSE

The purpose of this policy is to outline how Council will identify, prevent, manage and rectify incorrect payments received through Centrepay.
This policy supports Council to manage Centrepay payments appropriately, protect customers from incorrect deductions and ensure that any incorrect payments are identified, communicated and resolved in accordance with Centrepay requirement

SCOPE

This policy applies to all Council business areas, employees and processes involved in receiving, processing, reconciling or managing Centrepay payments.
It applies to Centrepay customers and to payments received by Council where the payment:

- is not covered by a Centrepay deduction authority;
- has been paid to Council in error;
- relates to goods or services excluded under Centrepay; or
- results in a customer holding a credit that is not reasonably likely to be used within the applicable Centrepay timeframe.

This policy applies to relevant Council services and accounts that accept Centrepay deductions.

POLICY

Council will maintain processes to identify, prevent, manage and rectify incorrect Centrepay payments.

Council whttps://www.servicesaustralia.gov.au/sites/default/files/2025-07/centrepay-policy-for-businesses.docxill:

1. **Prevent and monitor incorrect payments**
    - Ensure Centrepay deductions are supported by an appropriate deduction authority.
    - Monitor customer accounts and payment records to identify credits, overpayments and other circumstances that may constitute an incorrect payment.
    - Review credits held on customer accounts to confirm when and why the credit arose and whether it is reasonably likely to be used within the applicable Centrepay timeframe.
    - Maintain appropriate records to support the identification, investigation and resolution of incorrect payments.
2. **Identify and rectify incorrect payments**
   When Council identifies an incorrect Centrepay payment, Council will notify the customer in writing or verbally where written notification is not possible.

Council will refund an incorrect payment within 10 business days where Council is able to do so.

Where Council is unable to refund an incorrect payment directly to the customer, Council will advise Services Australia in accordance with applicable Centrepay requirements.

Council will not:

- exchange or provide additional goods or services to rectify an incorrect payment; or
- direct or advise a customer what they should use an incorrect payment for.

3. **Customer Centrepay arrangements**

Customers may change, suspend or cancel their Centrepay deductions through Services Australia, including through their Centrelink online account via myGov, the Express Plus Centrelink mobile application, by contacting Services Australia, or by visiting a Services Australia service centre.

4 **Unresolved incorrect payments**

Council will notify Services Australia as soon as possible where an incorrect payment:

- is not covered by a deduction authority;
- forms part of a repeated pattern of incorrect payments;

- cannot be matched to a customer; or
- has been identified as incorrect and may cause financial or reputational harm to Council or Centrepay.

Council will contact Services Australia at least 20 business days before issuing an incorrect payment to a State or Territory authority where Council has exhausted all reasonable attempts to return the funds directly to the customer.

Where appropriate, Council will:

- change, suspend or cancel the relevant Centrepay deduction authority;
- comply with written directions issued by Services Australia, including directions regarding refunds; and
- notify Services Australia when the relevant direction has been completed.

5 Record keeping

Council will maintain accurate and secure records relating to incorrect Centrepay payments in accordance with applicable privacy and record-keeping obligations.

Records may include:

- details of the incorrect payment;
- the reason the payment was identified as incorrect;
- actions taken to investigate and resolve the payment;

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- written communications with the customer;
- refunds, adjustments or other corrective actions;
- the outcome of the incorrect payment; and
- referrals or reports made to Services Australia or other relevant regulatory authorities.

LEGISLATIVE REQUIREMENTS

https://www.servicesaustralia.gov.au/sites/default/files/2025-07/centrepay-policy-for-businesses.docx
https://www.servicesaustralia.gov.au/sites/default/files/2025-07/centrepay-terms-of-use.docx

RELATED GUIDELINES AND PROCEDURES

Centrepay Transactions Procedure