



Social Security (Administration) (Exempt Welfare Payment Recipients — Persons with Dependent Children) (Indications of Financial Vulnerability) Principles 2010

Social Security (Administration) Act 1999

I, JENNY MACKLIN, Minister for Families, Housing, Community Services and Indigenous Affairs, acting under subsection 123UGD(5) of the *Social Security (Administration) Act 1999* and on behalf of the Minister for Education and the Minister for Employment and Workplace Relations, make these Principles.

Dated

29th July

2010

J Macklin

Minister for Families, Housing, Community Services and Indigenous Affairs

Part 1 Preliminary

1 Name of Principles

These Principles are the *Social Security (Administration) (Exempt Welfare Payment Recipients — Persons with Dependent Children) (Indications of Financial Vulnerability) Principles 2010*.

2 Commencement

These Principles commence on 9 August 2010.

3 Interpretation

(1) In these Principles:

Act means the *Social Security (Administration) Act 1999*.

Centrepay is the voluntary direct bill-paying service provided by Centrelink.

relevant period, in relation to a person, means the 12-month period mentioned in paragraph 123UGD (1) (d) of the Act as it applies to that person.

social security entitlement has the meaning given by subsection 23(1) of the *Social Security Act 1991*.

specified dependants, in relation to a person (the **first person**), means the following persons:

- (a) a child of the first person;
- (b) the first person's partner;
- (c) any other dependants of the first person.

strategies include:

- (d) tools (however described); and
- (e) training (however described).

Note For **priority needs**, see section 123TH of the Act.

(2) For section 5 of these Principles, a person (the **first person**) is experiencing **financial exploitation** if another person, or an entity (whether or not it has legal personality):

- (a) has acquired; or
- (b) has attempted to acquire; or
- (c) is attempting to acquire;

possession of, control of or the use of, or an interest in, some or all of the first person's financial resources, through the use of undue pressure, harassment, violence, abuse, deception, duress, fraud or exploitation.

4 Purpose

These Principles set out decision-making principles that the Secretary must comply with in satisfying himself or herself, for paragraph 123UGD(1)(d) of the Act, that there were no indications of financial vulnerability in relation to a person during the relevant period.

Part 2 Decision-Making Principles

5 Financial exploitation

The Secretary must consider whether the person experienced financial exploitation during the relevant period.

6 Priority needs

The Secretary must consider:

- (a) the priority needs, during the relevant period, of the person and the person's specified dependants (if any); and
- (b) whether, during the relevant period, the person was applying appropriate resources to meet some or all of those priority needs.

7 Money management strategies

The Secretary must consider:

- (a) what, if any, strategies (however described) the person used, during the relevant period, to manage their financial resources; and
- (b) whether it is likely that the person will continue to use those strategies, or similar strategies, to manage their financial resources in the foreseeable future.

Examples for paragraph (a)

- A personal or household budget.
- A financial plan.
- Paying bills or other expenses through Centrepay.
- Paying bills or other expenses by direct debit from a bank account.
- Arranging to pay major bills or debts by instalments.
- Undertaking a course to learn or update financial skills.
- Using lay-by services.
- Using a BasicsCard as part of an income management arrangement under Part 3B of the Act.

8 Changes to welfare payment arrangements

Urgent payments

- (1) The Secretary must consider:
 - (a) whether the person received more than one payment in relation to their social security entitlement in any fortnight during the relevant period, and the reasons for each of those payments; and
 - (b) if the person requested that he or she be paid as described in paragraph (a) during the relevant period, and that request was rejected — the reasons for each rejection.

Changes to payment payday

- (2) The Secretary must consider how many times (if ever) the person requested that his or her usual social security payment payday be changed during the relevant period, and the reasons for each request.