



Income management – Overview

Income management is a tool that helps people manage their budgets and gain control of their lives.

What is income management?

Income management can help people manage their welfare payments and ensure they are getting the basic essentials they need, such as food, housing, electricity, and clothing.

It eases financial stress by helping people to manage their budgets and stabilise their lives, so they can better care for their families and themselves.

When combined with other support services, such as financial counselling, money management, education, and/or health and wellbeing services, income management seeks to encourage more socially responsible behaviour and to protect vulnerable Australians.

How does income management work?

Income managed funds are directed towards meeting basic needs such as food, clothing, housing and utilities.

Income management does not change how much a person receives. It just changes the way that they receive part of their welfare payments. People participating in income management receive the rest of their payments in the usual way.

People can spend their income managed funds by organising direct payments to people or organisations such as stores, landlords, or utility providers, and by using the BasicsCard.

Who decides how income managed funds are spent?

When a person starts income management, a Centrelink officer provides information about income management and how it can help the person budget their money. Together, they will work out the person's expenses, such as food, clothing, housing and other basic needs, and arrange for the income managed funds to be directed to meet those expenses.

How can people spend their money?

People can spend their income managed funds in various ways, including:

- arranging for Centrelink to make direct payments for rent, utilities and other regular expenses

such as power bills, rates or school expenses

- allocating money to a BasicsCard, which can be used at approved stores
- arranging for Centrelink to make one-off payments to stores.

Income managed funds cannot be spent on alcohol, tobacco, pornography or gambling.

Who is income management for?

There are different ways people go onto income management.

Voluntary measure

People who volunteer to go onto income management have 50 per cent of their income support payments income managed.

Vulnerable measure

A social worker may recommend a person needs help to manage their money and/or look after themselves; including people who are homeless, or who are at risk of homelessness. These people have 50 per cent of their income support payments income managed.

Young people who receive the Unreasonable To Live At Home allowance, Special Benefit, or Crisis Payment (prison release) have 50 per cent of their income support payments income managed.

Child Protection measure

Income management is a tool for child protection authorities to help protect children who are experiencing abuse or neglect. Under this measure 70 per cent of income support payments are income managed.

Long Term Welfare Payment Recipients and Disengaged Youth measures (also known as the Parenting/Participation measure) (NT only)

People in the Northern Territory who have been out of work for some time, go onto this measure and have 50 per cent of their income support payments income managed.

Supporting People at Risk measure (NT only)

People needing help with alcohol and/or drug issues who are referred by the Alcohol Mandatory Treatment Tribunal go onto this measure and have 70 per cent of their income support payments income managed.

Cape York Welfare Reform (Cape York only)

People referred by the Family Responsibilities Commission have 60, 75 or 90 per cent of their income support payments income managed.

Under all measures of income management, lump sums and advance payments are 100 per cent income managed.

Where is income management operating?

The programme currently operates in:

- metropolitan Perth, the Kimberley region, the Ngaanyatjarra Lands, Laverton and Kiwirrkurra community in Western Australia
- Rockhampton, Logan, and the four communities (Aurukun, Hope Vale, Mossman Gorge and Coen) participating in Cape York Welfare Reform, in Queensland

- the Anangu Pitjantjatjara Yankunytjatjara Lands, Playford, Greater Adelaide and the Ceduna region in South Australia
- Bankstown in New South Wales
- Greater Shepparton in Victoria, and
- the Northern Territory.

A person can only start on income management if they live in one of these locations. However, if they move away from an income management trial site, they may choose, or be required, to remain on the programme.

Where can I get more information?

For more information:

- go to dss.gov.au
- go to humanservices.gov.au
- talk to your local Department of Human Services (Centrelink) Income Management Contact Officer
- call the Income Management Line (for customers only) on 1800 132 594.

Disclaimer

The information contained in this fact sheet is intended as a guide only. The information is accurate as at October 2015.

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