

Centrelink & Home Stretch WA Payments

Home Stretch WA

Reference Guide for Coaches and Child Protection Workers



Government of **Western Australia**
Department of **Communities**

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Anglicare WA
Home Stretch WA Team

Acknowledgements

We acknowledge all of the elders, foster and family carers, residential care programs, biological families and young people who have so generously and courageously contributed their learned and lived expertise in the design and development of the Home Stretch WA's Invest In Me Funding approach.

We acknowledge Aboriginal people as the Traditional Custodians of this land. We pay our respects to their strength, cultural resilience and the Elders past and present.



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Home Stretch WA Financial Support

Home Stretch WA provides an enhanced support system for young people transitioning from out-of-home care, providing them with additional support and resources from the ages of 18 to 21 years.

The provision of financial supports to young people from 18-21 does not replace or subsidise any income support payments or other benefits or entitlements available to young people through Centrelink.

Financial Payments Available Through Home Stretch WA

Home Stretch WA provides young people with a safety net of financial resources that are accessed through their Transition Coach. These resources are offered through a practice approach designed to encourage young peoples' self-reliance and interdependence on mainstream resources and services.

Young people who take up the offer of Home Stretch WA have direct access to the following:

Staying On Subsidy

A fortnightly payment that provides financial support to an approved foster or family carer. The payment is made to the carer to support a young person to stay on in the living arrangement when they leave statutory care.

Housing Allowance

A fortnightly payment made to a landlord, organisation or individual that subsidises the housing costs paid by the young person to the landlord/organisation/individual.

Invest In Me Funding

Brokerage funding to support a young person to achieve their goals, or assistance to help them in times of crisis or emergencies.

Financial Payments Available Through Centrelink

Young People 21 and younger are eligible to apply for the following payments, subject to their living arrangements.

- Youth Allowance [Independent Rate]
- ABSTUDY and related payments
- Rent Assistance
- Disability Support Pension

Up to date information about these payments should be accessed through the [Service Australia website](#).

Applying for Youth Allowance as a Care Leaver

As per the Social Security Guide [1.1.S.320 State care (YA)], Centrelink considers young people in state care as eligible for the **independent rate of Youth Allowance**, including young people living in foster care.

The Home Stretch WA model is focused on empowering young people transitioning from care to be aware of their rights and become increasingly self-reliant as they grow into adulthood. Young people need access to their own income either through employment or an income support payment.

If a young person is under 18 and still in care

As part of working together with a young person aged between 17 ½ and 18, the Transition Coach and Child Protection worker should assist the young person to apply for Youth Allowance at the independent rate.

The process is typically completed online and requires a young person to set up a MyGov account, have sufficient identification and a bank account to receive funding. The Child Protection worker will need to provide evidence that the young person is in the care and protection of the Department of Communities CEO.

<https://www.servicesaustralia.gov.au/youth-allowance>

If a young person is over 18 and has left care

A young person is still eligible to receive the independent rate of Youth Allowance because they were in state care (provided they are not living with a parent). Their Transition Coach should assist them to achieve this if they are not in receipt of Youth Allowance and/or at the independent rate.

The application process is the same, but the Transition Coach will need to obtain a signed letter from a Child Protection Worker providing evidence that the young person was in state care. It doesn't matter if the person completing the letter was not the young person's Child Protection Case Manager. An example letter is appended to this guide.

If things get complicated and you hit a system roadblock

Transition coaches should always support young people to use online or public Centrelink services. In situations where there are significant barriers to accessing support through mainstream channels, the Centrelink Community Engagement Team in WA can be directly contacted by a support worker. Contact by a support worker can be made by emailing communityengagewa@humanservices.gov.au

Practice Tips

Family and foster carers should be included in planning around the application for Youth Allowance and provided with clear information about the rationale. This is particularly important for carers who hold strong values and attitudes around income support payments.

Applying for the Disability Support Pension (DSP)

The disability support pension provides young people with financial help if they have a permanent physical, intellectual or psychiatric condition that stops them from working.

The young person must meet certain criteria to be eligible for a DSP. The young person must be 16 years old and have a permanent and diagnosed medical condition (physical, intellectual or psychiatric) that prevents them from working 15 hours or more per week within the next two years.

Services Australia have a helpful resource to assist in working out if a young person is eligible.

<https://www.servicesaustralia.gov.au/disability-support-pension>

If a young person is under 18 and still in care

Young people in Out of Home Care are classified as 'independent' for the purposes of calculating their eligibility for Disability Support Pension (DSP) and eligibility is not dependent on their carer's income level.

It is recommended that an application for Youth Allowance is submitted at the same time as applying for the DSP, and this should happen before a young person leaves care. This will ensure the young person receives a payment while the application for a DSP is being assessed (as this may take some time).

As part of working together with a young person aged between 17 ½ and 18, the Transition Coach and Child Protection worker should work together to ensure that every young person has the right supports in place when they turn 18.

If a young person is over 18 and has left care

A young person is still eligible to receive the independent rate of Disability Support Pension because they were in state care (provided they are not living with a parent). Their Transition Coach should assist them to achieve this if they are not in receipt of Youth Allowance and/or at the independent rate.

The application process is the same, but the Transition Coach will need to obtain a signed letter from a Child Protection Worker providing evidence that the young person was in state care. It doesn't matter if the person completing the letter was not the young person's Child Protection Case Manager.

Practice Tips

Applying for the Disability Support Pension might negatively impact how young people see themselves and their future. Young people should be encouraged to explore their strengths and aspirations around work and study, and how the DSP may support them to achieve their education or employment goals.

The DSP is distinct from the National Disability Insurance Scheme; it requires a separate application to be made with different evidence standards.

Applying for ABSTUDY Payments

ABSTUDY provides a range of payment options to young Aboriginal people who are in education or training, in addition to other financial support options.

These payments are particularly helpful in supporting young Aboriginal people from regional and remote communities to live in student housing in regional or metropolitan cities.

Home Stretch WA Transition Coaches should support young Aboriginal people to access the ABSTUDY residential costs option instead of the Home Stretch WA Housing Allowance when looking at student housing programs at a University Campus.

Further information about eligibility and the financial supports and payments that are available can be found online at

<https://www.servicesaustralia.gov.au/abstudy>

ABSTUDY Residential Costs Option and other Home Stretch WA Financial Payments

In general, students are not able to receive ABSTUDY assistance alongside another form of government assistance for the same purpose.

If the young person (student) has selected the ABSTUDY residential costs option, then sufficient funding should be sought to cover the full costs of accommodation and meals as there is no set upper limit on the residential costs payable by ABSTUDY, noting that residential charges must be reasonable.

The residential costs option will cover the following costs:

- Accommodation fees
- Meals (where provided)
- Laundry charges, and
- Other compulsory fees.

ABSTUDY residential costs do not cover rental bonds or other types of refundable fees.

Home Stretch WA service providers can still provide financial support to assist a young person to afford the costs associated with education and training, transport, and other charges not covered by ABSTUDY. This may be arranged to be paid through either a lump sum payment or a payment made at the beginning of each term or semester.

Practice Tips

ABSTUDY can provide a significant amount of financial support to young people who are studying, or in training and apprenticeships. Transition Coaches should explore a range of options available to young Aboriginal people seeking to study and live in student housing.

Invest In Me Funding

Invest In Me Funding support is paid directly to purchase goods and services made on behalf of a young person by their Home Stretch WA provider and is not treated as income for the young person.

The provision of Invest In Me Funding is governed by practice guidelines that encourage Transition Coaches to support a young person to access mainstream funding sources before using the Invest In Me fund.

Job Seekers can access significant resources through the Employment Fund (accessed via Workforce Australia services).

Invest In Me Funding payments are not paid directly to the young person, nor are they allocated a lump sum payment per annum.

The Home Stretch WA provider and Transition Coach must keep accurate and up to date financial records that are consistent with the Home Stretch WA Minimum Data Set.

Young people supported by Home Stretch will have their financial support needs met through a combination of mainstream services and the Invest In Me funding. For significant expenses, the Transition Coach may support the young person to access funding through a special application for access to the Leaving Care Fund.

Accessing the Transition to Independent Living Allowance (TILA)

Home Stretch WA provides young people with financial resources up to the age of 21. The TILA is a one-off payment up to \$1500 that a young person can access up to the age of 25. It is useful for covering the costs of purchasing a car, setting up a house or paying education costs.



Housing Allowance - Mini Fact Sheet

What Is it?

The Home Stretch WA Housing Allowance offers young people the opportunity to access financial support to help them afford safe and stable living options.

In Year 1 – Up to \$450 per fortnight

In Year 2 – Up to \$337 per fortnight

In Year 3 – Up to \$225 per fortnight

What can it be used for?

The Housing Allowance can be used to fund a broad range of living arrangements, provided there is a binding agreement in place that grants the young person security in their right to reside in the living arrangement. The allowance can subsidise private rentals, shared housing, student housing, host family or even accommodation in a caravan park.

Who can be paid?

The Housing Allowance is paid directly to the landlord, host family, agency or organisation that is providing the housing option to the young person. The young person cannot be paid directly.

In shared housing, the payment can only be made directly to the account of the landlord. It cannot be paid to another tenant unless there is a sub-lease agreement in place.

How does a young person apply?

In applying for a Housing Allowance, a young person must complete an application form with their Transition Coach, which includes developing a budget, housing pathway plan and getting the landlord to sign a statutory declaration. *Refer to the Housing Allowance Practice Guidelines and Fact Sheet for more information.*

What does a landlord or host need to do?

The recipient of the payment must complete their part of the contract that stipulates their responsibilities and liabilities in receiving a payment. This includes notifying the Home Stretch WA provider or Transition Coach if the young person moves out, or there are any problems with payment.

Is the Housing Allowance taxable income?

The Housing Allowance is a payment made to an individual for the provision of housing. It is considered reportable income for the person or organisation receiving the payment, both in terms of tax liability and calculating eligibility for other benefits and entitlements.

This advice must be given to recipients of the Housing Allowance, and it is their responsibility to report their income to the ATO or other authorities.

Housing Allowance and Other Payments

The Housing Allowance will not impact a young person's Centrelink income support payment or Rent Assistance

The Housing Allowance is not assessable income for social security purposes under subsection 8(8)(q) of the *Social Security Act 1991*, which exempts rental subsidies made by Commonwealth, State or Territory authorities to, or on behalf of, those liable to pay rent.

Claim Rent Assistance before calculating the Housing Allowance

The Transition Coach should ensure to support a young person who is eligible to claim Rent Assistance for the full cost of their living arrangement. Once the claim has been submitted, the young person's Housing Allowance can be calculated to ensure they are able to afford the living arrangement.

This will maximise the impact of Rent Assistance and reduce the reliance on the Housing Allowance.

Housing Allowance cannot be used to subsidise housing that is already being subsidised to make it affordable.

The Housing Allowance cannot be claimed to cover the costs of services that are already subsidised through other government systems. This includes youth homelessness services, public housing, community housing and other similar living arrangements that are indexed and capped to a proportion of income.

Bond Assistance Loan

Young people applying for housing that is eligible should be encouraged to apply for a Bond Assistance Loan through the Department of Communities. This will help reduce the financial barrier associated with commencing a new lease, and also build their confidence in accessing mainstream services.



Information for Carers about the Staying On Subsidy

The Staying On Subsidy is Tax Free

The Department of Communities has received advice from the Australia Tax Office that the Staying On Subsidy payments will not be considered as reportable income for tax purposes. It will be treated in the same way as the foster care subsidy payments.

The Staying On Subsidy can affect Centrelink payments

Carers who receive Centrelink payments may need to report the Staying On Subsidy payments to Centrelink. In some cases, this may mean a reduction in the Centrelink payment they receive.

Part of setting up a Staying On Agreement is about working out how much a young person should contribute to costs. If a carer will get less money from Centrelink because they will receive the Staying On Subsidy, it would be reasonable to expect the young person to chip in the difference from their own income (which may be from the young person's Centrelink payment).

Carers should be supported by the Home Stretch WA Staying On Facilitator and Transition Coach to work through any issues and resolve them when developing the Staying On Agreement.

Staying On is only one part of Home Stretch WA

Staying On is an integrated part of the Home Stretch WA program. It provides a young person and their carer the opportunity to be supported to continue the living arrangement until the young person turns 21. This includes continuation of a financial payment.

Staying On is more than just the subsidy. It includes support provided by a Transition Coach to the young person and support offered to the carer through the Staying On Facilitator.

Transition Coaches are skilled and trained professional support workers who will work with the carer and young person to provide as much, or as little, support as required. Their role is to be a persistent and reliable support for young people, and to help them strengthen their connections to community and family.

For families who don't need much support, the Transition Coach will work directly with the young person and base their support on what the young person needs. The young person must agree to take part in the Home Stretch WA program if they want to access Staying On.



Our Ref.: Maureen Post

Centrelink
WA

Dear Sir/Madam

RE: Maureen Post D.O.B 09/09/2004

Please be informed and note that Maureen Post of [insert address] was in the care and protection of the CEO of the Department of Communities until she turned 18 years old on 9 September 2022.

Maureen has now left state care and requires access to the Youth Allowance payment at the independent rate.

Please ensure this young person is able to receive the correct benefit payment. If you have any queries please do not hesitate to contact me on [insert number].

Yours sincerely

[Insert Name]
Child Protection Worker
Department of Communities- Child Protection and Family Support
[Insert name of office] District Office
[Insert date]