# Income Management

Schedule 5 to Services **Australia**

Business Terms and Conditions

Contents

[**Purpose** 2](#_Toc404252992)

[**1. Definitions** 3](#_Toc404252993)

[**2. Notification of Deduction Authorities** 4](#_Toc404252994)

[**3. Payment of Income Management Deductions** 5](#_Toc404252995)

[**4. Application of Income Management Deductions** 5](#_Toc404252996)

[**5. Management of Declared Customer Store Accounts** 6](#_Toc404252997)

[**6. Variation of Income Management Deductions at the agency’s discretion** 6](#_Toc404252998)

[**7. Management of the Participant’s Bank Account** 7](#_Toc404252999)

[**8. Method of payment by the agency** 7](#_Toc404253000)

[**9. Fees** 8](#_Toc404253001)

[**10. Overpayment of Income Management Deductions** 8](#_Toc404253002)

[**11. Repayments to the agency—return of unspent Income Management Deductions** 9](#_Toc404253003)

[**12. Repayments to the agency—breach of Contract** 9](#_Toc404253004)

[**13. Participant statements** 9](#_Toc404253005)

[**14. Responsibility for amounts owed** 10](#_Toc404253006)

[**15. Income Management Deduction Reports** 11](#_Toc404253007)

[**16. Termination** 11](#_Toc404253008)

[**17. After termination** 11](#_Toc404253009)

[**18. Agency address for Notices** 11](#_Toc404253010)

[**19. Role of the agency in disputes between Declared Customers and Participants** 11](#_Toc404253011)

[**20. Compliance with legal requirements** 12](#_Toc404253012)

[**21. Community store licence requirements** 12](#_Toc404253013)

[**Annexure 1—Services Australia details** 12](#_Toc404253014)

## Purpose

A. The *Social Security (Administration) Act 1999* (Cth), (**the Act**) establishes an income management regime for certain Customers of the Executive Agency, Services Australia (the agency or Services Australia) who receive benefits (**Declared Customers**). Declared Customers will have Income Management Accounts established by the agency under the Act to assist in the provision of goods and services to meet the Priority Needs of the Declared Customer and those of any Customer Dependents.

B. The Participant sells Priority Needs goods, such as food, clothing and basic household items to Declared Customers.

C. The Participant has lodged a Business Application with the agency requesting that the agency provide the Services to the Participant, and the agency has sent the Participant an Approval Letter in relation to that Business Application. This has formed a Contract between the Commonwealth of Australia, represented by the agency, and the Participant. The Contract consists of:

1. Services Australia Business Terms and Conditions (**T&Cs**)
2. this Schedule 5 and any other Schedules referred to in the Approval Letter
3. any agreed Special Conditions
4. any further terms set out in the Approval Letter, and
5. any representations, warranties and other information contained in a Business Application.

D. In accordance with this Contract:

1. the agency may send Income Management Deductions to the Participant, and
2. the Participant will credit those amounts to Declared Customer Store Accounts held for the benefit of the relevant Declared Customer and any Customer Dependents. Declared Customers may access the credit in their Declared Customer Store Account at the point of sale to purchase Priority Needs goods.

E. Nothing in this Contract affects any payments made by the agency to the Participant in accordance with any other Schedule to the T&Cs.

## 1. Definitions

In this Schedule 5, capitalised terms that are not defined in this Schedule 5 but which are defined in:

1. the Services Australia Business Terms and Conditions—have the meaning ascribed to them in the T&Cs, or
2. the Act—have the meaning ascribed to them in the Act.

**Account Manager** means the agency staff member responsible for managing the application of this Schedule to the Participant, as specified in the Approval Letter for this Schedule 5.

**Approval Criteria** means the criteria specified in the Income Management Deductions— Service Delivery and Compliance Guidelines (accessible via the Services Australia website) which are to be considered by the agency in determining whether an applicant who meets the Eligibility Criteria should be approved to become a Participant in the Income Management Deduction program.

**Approved Lay-By** is an arrangement for the purchase of goods from the Participant based on terms that the total price is paid over time in regular payments with the goods received by the Customer upon completion of payment. For a lay-by arrangement to be an Approved Lay-By, the Participant must provide the Customer with:

1. a document setting out the Participant’s terms and conditions of the lay-by service, and
2. a detailed lay-by docket for the particular purchase of goods, setting out:
3. the deposit amount
4. the duration of the lay-by period
5. the frequency and minimum amount of payments required, and
6. the Participant’s cancellation policy for the lay-by (including refunds of deposits or any payments made).

**Authorised Deposit-Taking Institution** means an authorised deposit-taking institution in relation to which an authority under subsection 9(3) of the *Banking Act 1959* (Cth) is in force and, for the avoidance of doubt, includes a transferred body whose authority under subsection 9(3) of the *Banking Act 1959* (Cth) has not been revoked.

**Customer** for the purposes of this Schedule 5, means a Declared Customer or a Customer Nominee.

**Customer Dependents** means those persons specified in section 123YA(2) of the Act.

**Customer Nominee** means a person for whom the Declared Customer has given the Participant written authorisation allowing that person to access their Declared Customer Store Account.

**Declared Customer** means a mutual Customer of the Participant and the agency who receives a Payment and who is subject to the income management regime under the Act.

**Declared Customer Store Account** means an account held by the Participant for the benefit of a Declared Customer for the purpose of providing goods to meet the Priority Needs of the Declared Customer or any Customer Dependents.

**Deduction Authority** means the Income Management Deduction Report or other documentation completed by an agency staff member who records the agency’s decision in accordance with the Act to:

1. commence an Income Management Deduction
2. change the amount or frequency of any Income Management Deduction, or
3. cancel or suspend an Income Management Deduction.

**Eligibility Criteria** means the criteria specified in the Income Management Deductions— Service Delivery and Compliance Guidelines (accessible via the Services Australia website) which must be met by an applicant in order to be eligible to become a Participant in the Income Management Deduction program.

**Income Management** **Deduction** means an amount of money deducted by the agency from the Income Management Account of a Declared Customer and payable to the Participant in accordance with this Schedule 5. The amount is be credited to the Declared Customer Store Account of that Declared Customer for the provision of goods (other than Excluded Goods) to meet the Priority Needs of the Declared Customer and of any Customer Dependants.

**Income Management** **Deduction Report** means a payments and deductions report provided by the agency to the Participant containing details of the Income Management Deductions made to the Participant in accordance with clause 15.

Overpayment means:

1. an Income Management Deduction sent to the Participant of an amount greater than that specified in a Deduction Authority, or
2. an Income Management Deduction sent to the Participant after the date calculated in accordance with clause 6.6, for stopping payment following cancellation or suspension of that Income Management Deduction.

**Participant’s Bank Account** means the account with an Authorised Deposit-Taking Institution specified in the Business Application for this Schedule 5 (as changed by the Participant in accordance with clause 7), established by the Participant solely for the purpose of receiving Income Management Deductions.

**Service Reasons** means those categories of goods which are identified in the Approval Letter for this Schedule 5.

**Subject to the income management regime** has the same meaning as in the Act.

## 2. Notification of Deduction Authorities

2.1 The agency will Notify the Participant of Deduction Authorities made for Declared Customers that have, or may obtain, a Declared Customer Store Account with the Participant.

2.2 Upon notification by the agency of a Deduction Authority, the Participant must immediately establish a Declared Customer Store Account for the relevant Declared Customer if that Declared Customer does not already have a Declared Customer Store Account.

## 3. Payment of Income Management Deductions

3.1 Once a Deduction Authority is in place in respect of a Declared Customer, the agency will process the Income Management Deduction to take place on the Declared Customer’s next available Payment date (as described in clause 3.2) or another date specified in the Deduction Authority.

3.2 If a Deduction Authority is not in place five Business Days before the next Payment date for the Declared Customer, that next Payment date may not be the ‘next available Payment date’ and the Income Management Deductions may not commence until the following Payment date for that Declared Customer.

3.3 The agency will credit the amount recorded in the Deduction Authority to the Participant’s Bank Account on the date of the Declared Customer’s Payment, or on another date as specified in the Deduction Authority, subject to clauses 3.2 and 6.

## 4. Application of Income Management Deductions

4.1 The Participant must credit the full amount of the Income Management Deduction to the relevant Declared Customer Store Account, upon receipt of an Income Management Deduction into the Participant’s Bank Account.

4.2 Declared Customers may nominate Customer Nominees to access their Declared Customer Store Account by providing written, signed authorisation to the Participant.

4.3 The Participant must only debit a Declared Customer’s Declared Customer Store Account as payment for goods, if those goods:

1. were provided to the relevant Declared Customer or to a Customer Nominee for that Declared Customer, and
2. fall within the Service Reasons or other categories of goods which have been agreed by the agency in writing.

4.4 The Participant must not:

1. allow any Declared Customer or any Customer Nominee to use an Income Management Deduction for the purchase of Excluded Goods, Excluded Services, gift cards, store cards or vouchers or to be exchanged for cash
2. allow a Declared Customer Store Account to have a negative account balance
3. apply any Income Management Deduction to any lay-by arrangement (that is, any arrangement for the purchase of goods from the Participant based on terms that the total price is paid over time in regular payments with the goods received by the Declared Customer or Customer Nominee upon completion of payment), unless that arrangement is an Approved Lay-By, or
4. apply any Income Management Deduction to repay any debt (or part thereof) owed to the Participant by the Declared Customer or a Customer Nominee, whether as part of a book up arrangement or as an instalment payment under a term credit arrangement for goods or services previously provided to the Declared Customer or the Customer Nominee. (A book up arrangement is an arrangement where a merchant sells goods or services to a customer on short-term credit. A book up arrangement may involve the merchant holding some form of security and may involve the merchant charging the customer a fee for accessing the arrangement or interest on the borrowed amount.)

## 5. Management of Declared Customer Store Accounts

5.1 The Participant must ensure that a Declared Customer and their Customer Nominee (if any) only accesses their Declared Customer Store Account:

1. for the purpose of purchasing goods to meet the Priority Needs of the Declared Customer or of any Customer Dependents, and
2. for an amount up to the current balance of the Declared Customer Store Account.

5.2 Each time a Declared Customer Store Account is used by a Declared Customer or Customer Nominee, the Participant must:

1. issue a point-of-sale cash register docket or receipt to the Declared Customer or Customer Nominee which shows the total value of purchases debited against their Declared Customer Store Account, and
2. keep a copy of all point-of-sale cash register dockets or receipts issued in accordance with clause 5.2(a) for two years after the date of issue.

5.3 If:

1. a payment is due to a Declared Customer due to the cancellation of an Approved Lay-By, or
2. for any other reason, the Declared Customer or a Customer Nominee is entitled to a refund for a purchase made using their Declared Customer Store Account

the Participant must ensure that the refund or the payment is credited to the Declared Customer Store Account immediately, and that no refund is provided to any person in cash or used for the purchase of Excluded Goods, Excluded Services, gift cards, store cards or vouchers.

5.4 The Participant is responsible for all amounts held by the Participant in Declared Customer Store Accounts.

5.5 The Participant must promptly advise the agency if a Declared Customer no longer holds a Declared Customer Store Account with the Participant.

## 6. Variation of Income Management Deductions at the agency’s discretion

6.1 The agency may, at any time, vary the terms of a Deduction Authority so as to vary the frequency or amount of, or cease or suspend, an Income Management Deduction.

6.2 The Participant acknowledges that there is no requirement for the agency to obtain the Participant’s approval to any variation, cancellation or suspension of an Income Management Deduction or variation to the terms of a Deduction Authority.

6.3 Without limiting clause 6.1, if a person ceases to be a Declared Customer for any reason, the agency will Notify the Participant and any Deduction Authority that the Declared Customer will be deemed to be cancelled from the date of cessation. Any amount remaining in the Declared Customer Store Account must be dealt with as directed by the agency (which must be in accordance with the Act and the *Social Security (Administration) Act 1991* (Cth), as applicable).

6.4 Without limiting clause 6.1, if for any reason the Income Management Account of a Declared Customer has a zero balance, any Deduction Authority for that Declared Customer will be deemed to be suspended.

6.5 Without limiting clause 6.1, the Participant acknowledges that no part of an Income Management Deduction will be made to the Participant if the Income Management Account for the Declared Customer has a balance which is insufficient to allow the Income Management Deduction to occur (including where other deductions or payments rank higher in priority than the Income Management Deduction).

6.6 Where a Deduction Authority is cancelled or suspended, the agency will stop payment of all Income Management Deductions from either:

1. the date of cancellation or suspension, or
2. another date specified in the relevant Deduction Authority.

## 7. Management of the Participant’s Bank Account

7.1 The Participant:

1. must maintain the Participant’s Bank Account during the Term
2. must Notify the agency of any change in the Participant’s Bank Account details no later than five Business Days before the next due date for an Income Management Deduction, and
3. warrants that the details of the Participant’s Bank Account as advised from time to time are true and correct.

7.2 The Participant is responsible for all Income Management Deductions received into the Participant’s Bank Account.

## 8. Method of payment by the agency

8.1 The agency will make Income Management Deductions by electronic funds transfer direct to the Participant’s Bank Account, unless the agency agrees to make an Income Management Deduction in accordance with clause 8.8.

8.2 An Income Management Deduction will be deemed to have been made on the date the agency instructs its bank that the funds are to be transferred, as specified in Item 1 of Annexure 1 to this Schedule 5, unless the contrary is shown.

8.3 The agency will not be liable to make any additional or interim payments of Income Management Deductions where:

1. details of the Participant’s Bank Account are incorrectly advised by the Participant, or
2. a change to the Participant’s Bank Account details is advised to the agency after the time specified in clause 7.1(b).

8.4 Where the circumstances specified in clause 8.3 occur, the Participant must:

1. upon receiving an Income Management Deduction Report which specifies that an Income Management Deduction has been directed to an incorrect or changed Participant’s Bank Account, immediately:
2. Notify the agency of the updated Participant Bank Account details, and
3. credit the Declared Customer Store Account with the amount of the Income Management Deduction which would have been paid into the Participant’s Bank Account if the circumstances in clause 8.3 did not occur, and
4. the Participant must not impose any penalty upon the Declared Customer if the Participant does not receive an Income Management Deduction on the due date.

8.5 The agency will endeavour to trace any Income Management Deduction it directs to the Participant’s Bank Account, but is not received into the Participant’s Bank Account and ensure that the amount of the Income Management Deduction is promptly redirected to the Participant’s Bank Account once it is returned to the agency.

8.6 For the avoidance of doubt, where the Participant credits the Declared Customer Store Account with the Income Management Deduction owed to that Declared Customer in accordance with clause 8.4(a)(ii), the Participant is not required to again credit the Declared Customer Store Account with that same Income Management Deduction into the Participant’s Bank Account after it is later received from the agency.

8.7 The agency is not in any way liable or responsible for any fees or other charges incurred by the Participant as a result of Income Management Deductions being paid (or not paid) to the Participant’s Bank Account, unless the Income Management Deductions were paid in error by the agency.

8.8 The Participant may request the agency make a one-off Income Management Deduction by an alternative payment method, including:

1. cheque made payable to the Participant
2. electronic funds transfer to a credit card account nominated by the Participant in writing, or
3. electronic funds transfer to another bank account nominated by the Participant in writing.

If the agency agrees to a request for payment by an alternative payment method, they will issue the Participant with a letter that sets out additional terms and conditions applicable to that payment.

## 9. Fees

9.1 There are no Fees payable by the Participant for the Services provided by the agency under this Schedule 5. However, the Parties acknowledge and agree that each Party receives valuable consideration under the Contract, including that:

1. the agency agreeing to provide the Services and comply with the requirements of this Schedule 5 is valuable to the Participant’s business, and
2. the Participant agreeing to comply with the requirements of this Schedule 5, and thereby facilitating the effective and efficient operation of the income management regime, is valued by the agency.

9.2 The Participant must not impose any charge or fee on a Declared Customer or a Customer Nominee that is in addition to the price of the goods being purchased because the customer has paid for the goods using their Declared Customer Store Account.

## 10. Overpayment of Income Management Deductions

10.1 If the Participant becomes aware of an Overpayment, the Participant must Notify the agency of the amount of the Overpayment within three Business Days after becoming aware of the Overpayment.

10.2 If the agency becomes aware of an Overpayment, they must Notify the Participant of the amount of the Overpayment within three Business Days after becoming aware of the Overpayment.

10.3 The Participant must repay, as a debt owed to the agency, the full amount of any Overpayment immediately after:

1. becoming aware of the Overpayment, or
2. being Notified of the Overpayment in accordance with clause 10.2.

10.4 Under no circumstance is the Participant permitted to credit the Declared Customer Store Account with the amount of the Overpayment, or to allow the Declared Customer or any Customer Nominee to access the value of the Overpayment in cash or for the provision of goods or services, whether for Priority Needs or not.

10.5 If the Participant has not repaid the full amount of any Overpayment within 28 days of a Notice being issued under clause 10.2, the agency may raise the full amount of the Overpayment as a debt and pursue recovery, without limiting any of the agency’s other rights under this Contract.

## 11. Repayments to the agency—return of unspent Income Management Deductions

11.1 The agency may issue the Participant with a Return Notice in relation to a Declared Customer who has an unspent amount in their Declared Customer Account. The Return Notice will specify:

1. the name and CRN of the relevant Declared Customer, and
2. the amount of funds from the Declared Customer’s Declared Customer Account to be returned to the agency.

11.2 Within 28 days of receiving a Return Notice, the Participant must:

1. deposit the amount specified in the Return Notice into the agency’s Bank Account set out at item 1 of Annexure 1 of this Schedule 5, and
2. reduce the Declared Customer’s Declared Customer Account balance by the value of the amount specified in the Return Notice.

## 12. Repayments to the agency—breach of Contract

12.1 Any Income Management Deductions credited to the Participant’s Bank Account that have been used or accessed in breach of this Contract constitute a debt payable to the agency and must be repaid by the Participant within 30 days of a Notice from the agency requiring the Participant to do so.

12.2 Notwithstanding any other provision of the Contract, the Participant must comply with any notice issued to it under the Act or under the *Social Security Act 1991* (Cth) which requires the payment of amounts specified in the notice to the agency.

12.3 If the Participant does not repay an amount owing to the agency in accordance with the Act or the Contract, within the period specified, the agency may:

1. institute legal proceedings to recover the amount, and
2. terminate the Contract in accordance with clause 24.2(f) of the T&Cs.

## 13. Participant statements

13.1 If requested by a Declared Customer, the Participant must provide a written account statement to that Declared Customer, signed and dated by the Participant, showing all details for the Declared Customer Store Account for the period requested by the Declared Customer (which may be any period up to two years prior to the date of the request).

13.2 The account statement issued under clause 13.1 must include:

1. the Declared Customer’s name
2. the period that the statement covers
3. all amounts received from the agency as Income Management Deductions in respect of that Declared Customer during that period
4. all amounts accessed by the Declared Customer or any Customer Nominees during that period
5. any amounts returned to the agency in respect of that Declared Customer during that period, and
6. the balance of the Declared Customer Store Account at the end of that period.

13.3 The account statement under clause 13.1 must be provided:

1. where the request relates to a period up to and including two weeks immediately before the request was made—within 48 hours of the request being made, or
2. where the request relates to any other period—within five Business Days of the request being made.

13.4 The Participant must immediately provide a Declared Customer with notification of the amount currently remaining in that Declared Customers’ Declared Customer Store Account on request.

13.5 Within 10 Business Days of receiving a request from the agency, the Participant must provide a statement signed by the Participant Contact Officer, which sets out details of the Participant’s Bank Account for the previous calendar month, including all debits and credits that occurred in the last calendar month and the current balance. This statement must be in the format reasonably required by the agency.

13.6 Within 10 Business Days of receiving a request from the agency, the Participant must provide a statement signed by the Participant Contact Officer, which provides details of each Declared Customer Store Account held by the Participant for the previous calendar month. A statement provided under this clause 13.6 must:

1. include the following information for each Declared Customer Store Account:
2. the Declared Customer’s name
3. the period that the statement covers
4. all amounts received from the agency as Income Management Deductions in respect of that Declared Customer during that period
5. all amounts accessed by the Declared Customer or any Customer Nominees during that period
6. any amounts returned to the agency in respect of that Declared Customer during that period, and
7. the balance of the Declared Customer Store Account at the end of the period, and
8. be in the format required by the agency.

## 14. Responsibility for amounts owed

14.1 Despite anything in this Schedule 5, it is the Participant’s sole responsibility to collect any amounts owed by a Declared Customer to the Participant.

14.2 Under no circumstances will the agency be liable for any amount owed by a Declared Customer or a Customer Nominee to the Participant.

## 15. Income Management Deduction Reports

15.1 The agency will regularly make information available to the Participant, in the form of Income Management Deduction Reports, in a secure electronic format or manually in a paper format.

15.2 The information in the Income Management Deduction Reports will enable the Participant to identify and reconcile Income Management Deductions paid to the Participant in relation to Declared Customers, including any changes to the frequency or amount of regular Income Management Deductions.

## 16. Termination

16.1 For the purposes of clause 24.2(f) of the T&Cs, the agency may terminate the Contract if:

1. the Participant no longer meets the Eligibility Criteria, or
2. after reconsideration of the Approval Criteria, the agency determines the Participant should no longer be approved as a Participant in relation to the income management scheme.

## 17. After termination

17.1 If the Participant receives a Notice in accordance with clause 24 of the T&Cs terminating the Contract, or that part of the Contract which relates to this Schedule 5, the Participant must deal with any amount remaining in a Declared Customer Store Account as directed by the agency (which must be in accordance with the requirements of the Act and the *Social Security (Administration) Act 1991* (Cth), as applicable).

## 18. Agency address for Notices

18.1 The agency’s address for Notices in relation to this Schedule 5 is the address set out in Item 2 of Annexure 1 to this Schedule 5 (as varied by any Notice to the Participant).

## 19. Role of the agency in disputes between Declared Customers and Participants

19.1 Without limiting clause 21 of the T&Cs, the Parties agree that where a dispute arises between the Participant and a Declared Customer in relation to the operation of the Declared Customer’s Declared Customer Store Account:

1. the Participant must, in the first instance, attempt to resolve the dispute by negotiating directly with the Declared Customer, and
2. if those negotiations are unsuccessful in resolving the dispute, Notify the agency of the details of the unresolved dispute.

19.2 If the agency receives a Notice under clause 19.1, the agency may investigate the circumstances that led to the dispute and endeavour to mediate resolution of the dispute between the Declared Customer and the Participant.

19.3 Upon the agency giving Notice to the Participant, the Participant must provide the agency with any documentation or records (however stored) in the custody or control of the Participant, which relate to the dispute and which the agency considers may assist in resolving the dispute.

19.4 If the agency’s investigation indicates that the Participant’s conduct impacts upon its obligations under the Contract, clause 21 of the T&Cs will apply.

## 20. Compliance with legal requirements

20.1 The Participant must comply with all legal requirements applicable to the Participant’s business, including all requirements in relation to the provision of lay-by, ‘anti-hawking’, ‘cooling off periods’ and the provision of consumer credit.

## 21. Community store licence requirements

21.1 If the Participant holds a community store licence in accordance with Part 7 of the *Northern Territory National Emergency Response Act 2007* (Cth) (Store Licence):

1. the Participant must, at all times, comply with all terms and conditions of the Store Licence, including any terms and conditions applicable to the access or management of Declared Customer Store Accounts
2. a breach of the Store Licence is taken to be a breach of this Contract, and
3. the Participant must promptly Notify the agency if its Store Licence is revoked, terminated or otherwise not renewed.

21.2 If the Participant is required by law to hold a Store Licence in order to conduct its business and does not hold such a licence for any reason, the agency may immediately terminate the Contract in accordance with clause 24.2(f) of the T&Cs.

## Annexure 1—Services Australia details

| Bank Account |  |  |
| --- | --- | --- |
| Item 1 | Name | Reserve Bank of Australia |
|  | Branch | Canberra |
|  | BSB No. | 092 002 |
|  | Account No. | 219 524 |
|  | Account Name | Income Management Returns |
| Contact Details |  |  |
| Item 2 | Postal | Income Management  Reply Paid 1507  Hobart Tasmania 7001 |
|  | Fax | (03) 6222 5514 |
|  | E-mail | im.merchant.help@servicesaustralia.gov.au |

8772.1202