

# Centrelink customers and nominee arrangements

People who receive a payment or service from Centrelink or the Family Assistance Office have the option of three types of arrangements when dealing with Centrelink.

**Person Permitted to Enquire (PPE)** arrangements provide for a Centrelink customer to authorise a person or organisation to make limited enquires about their payment and confirm information held. APPE is not a nominee arrangement.

**Correspondence nominee** arrangements provide for a Centrelink customer to authorise a person or organisation to complete most actions required by the customer. Correspondence nominees can:

- make enquiries about the customer's payments and Centrelink records;
- receive copies of the customer's mail;
- notify changes to the customer's records;
- complete Centrelink forms and statements;
- provide Centrelink with documents relating to the customer's circumstances; and
- attend appointments with the customer or on the customer's behalf.

**Payment nominee** arrangements provide for a Centrelink customer to authorise a person or organisation to receive the customer's payments into an account maintained by the nominee. A payment nominee can:

- only be given minimal information regarding issues affecting the customer's payments; and
- be asked to supply records of how the money received was used as they are obligated to maintain relevant records.

The customer may choose to either have just one person/organisation for both correspondence and payment nominee arrangements or have two different people/organisations appointed for each type of nominee

arrangement.

Centrelink would usually appoint a person already holding a Power of Attorney, an Administrator or a Guardian as a nominee of the customer, unless other evidence indicates that the appointment of a particular person/organisation is inappropriate.

Although the existence of an Administration Order (eg. Guardian) constitutes relevant but not necessarily conclusive evidence that the customer's condition necessitates a nominee arrangement, Centrelink is not obliged to accept a nominee arrangement unless it is in the customer's best interests.

This has been confirmed through advice from the Australian Government Solicitor in that the Secretary will not be bound to act in accordance with either a Power of Attorney or an Order of a Guardianship Tribunal because of the overarching principle that "a social security payment is absolutely inalienable, whether by way of, or in consequence of, sale, assignment, charge, execution, bankruptcy or otherwise" as contained in section 60 of the *Social Security (Administration Act) 1999*.

The *Social Security (Administration Act) 1999* legislation also stipulates that the appointment of a nominee must be in writing but given the many and varied court appointed arrangements (eg. Certificate of Authorities, Guardianships and Powers of Attorney) with varying scope or intent, it can be difficult to assess the level of authority, the applicability of such appointments and their relationship to the nominee legislation. As a result, each case is assessed on its merits and a nominee form is available through Centrelink to meet the legislative requirements and to enable Centrelink to collect the correct details about the customer, nominee and associated

arrangements.

Centrelink nominee arrangements are administered under Commonwealth Social Security Law which sets out the duties and obligations of both correspondence and payment nominees who are required to act in the customer's best interests. A nominee is required to advise of any matter that affects their ability to act as a nominee. Nominee arrangements are also subject to review should allegations of misuse of the payment be raised.

While there are no prescribed penalties for correspondence nominees, payment nominees may face monetary penalties if they fail to produce proper records, for how they have managed the customer's payment, when requested. The payment nominee must keep a record of the expenditure of the customer's payments and these records can be requested at anytime for review purposes.

Should a review be conducted, a notice is sent to the nominee requesting a statement regarding the disposal of money paid under Social Security Law to the nominee on behalf of the recipient. The nominee is obliged to comply with this request under legislation. If they fail to do so penalty provisions apply. These are stated in accordance with section 123(6) of the *Social Security (Administration Act) 1999* and section 4AA of the *Crimes Act 1914*.

For more information or a factsheet on the role of nominees call Centrelink on 132-300 or visit a Centrelink Customer Service Centre. An online version of the factsheet is also available on the Centrelink website at: [www.centrelink.gov.au](http://www.centrelink.gov.au). ①