

|  |
| --- |
| Managing a resident’s money |
| Supported residential service fact sheet |
|  |

Contents

[About the Social Services Regulator 1](#_Toc171681054)

[Managing a resident’s money 1](#_Toc171681055)

[What are the requirements to manage a resident’s money? 2](#_Toc171681056)

[What transactions are permitted? 3](#_Toc171681057)

[What is a prohibited transaction? 3](#_Toc171681058)

[What are my reporting requirements? 4](#_Toc171681059)

[What do I need to report? 4](#_Toc171681060)

[Steps for reporting 4](#_Toc171681061)

[What is the Regulator’s role? 5](#_Toc171681062)

[Useful resources and contacts 5](#_Toc171681063)

[Resources 5](#_Toc171681064)

[Contact us 5](#_Toc171681065)

# About the Social Services Regulator

The [*Social Services Regulation Act 2021*](https://www.legislation.vic.gov.au/in-force/acts/social-services-regulation-act-2021/001) (the Act), the [*Social Services Regulations 2023*](https://www.legislation.vic.gov.au/in-force/statutory-rules/social-services-regulations-2023/001) (the Regulations) and the [*Social Services (Supported Residential Services) Regulations 2024*](https://www.legislation.vic.gov.au/in-force/statutory-rules/social-services-supported-residential-services-regulations-2024/001)(the SRS Regulations) create a new regulatory framework for social services in Victoria. This framework puts the protection and safety of social service users at the centre of social services delivery.

The Social Services Regulator replaces the Human Services Regulator. The Social Services Regulator aims to strengthen protections for social services users to safeguard people from harm, abuse and neglect.

Core objectives include:

* protecting the rights of service users
* supporting safe and effective social services delivery
* minimising the risk of avoidable harm in service delivery.

## Managing a resident’s money

A resident may ask a supported residential service (SRS) provider to manage their money.

It is important for SRS providers to meet their obligations under the Act and the Regulations and the SRS Regulations. These aredesigned to protect residents’ interests and ensure clear record-management processes are in place. For example:

* Where a resident has an administrator managing their money, the administrator may provide ‘discretionary money’ (pocket money) to an SRS provider, for the resident to buy items such as haircuts, manicures, outings, personal items and mobility aids.
* An SRS provider must not manage or control a resident’s money without the resident’s written consent**.**

### What are the requirements?

An SRS provider must meet key requirements to manage a resident’s money, including:

**Amount of money** – an SRS provider must not manage or control more than the amount a resident pays for one month’s fees.

**Record-keeping** – an SRS provider must maintain an accurate and up-to-date record of any incoming money and expenditure managed or controlled on behalf of the resident, and individually itemise each transaction made on their behalf.

**Storing evidence** – an SRS provider must keep a receipt (or other evidence) for each transaction made on behalf of the resident when the amount of the transaction is $50 or more.

**Sharing details on a regular basis** – an SRS provider must provide the resident with an itemised statement setting out any income received, and expenditure incurred on behalf of the resident at least once every three months *or* on request.

**Actioning requests** – an SRS provider must give the resident (or a person they nominate) access to their financial records on their request.

#### Who can manage a resident’s money?

Receiving written consent from a resident is crucial, before an employee of an SRS may manage a resident’s money.

An SRS employee may handle or deal with the resident’s money under a proprietor’s direction, only if the SRS provider has the resident’s written consent to manage or control that money. Further requirements include:

* an SRS provider must ensure that any employee who deals with a resident’s money does so only under direction
* an SRS provider or SRS employee **must not** manage any discretionary funds which may be provided to the resident by family members, without the resident’s written consent
* close associates, other than SRS employees, are **not permitted** to handle, deal with, manage or control a resident’s money.

#### What is a ‘close associate’?

The Act defines a close associate of the proprietor of an SRS in specific ways. See Table 1 for more details.

Table 1: Close associate

| Definitions |  |
| --- | --- |
| **A close associate of a proprietor** | * the spouse, domestic partner, parent, child or sibling of the proprietor * the parent, child or sibling of the spouse or domestic partner of the proprietor * a body corporate of which the proprietor is a director or secretary. |
| **If the proprietor is a body corporate, a close associate means** | * a director or secretary of the body corporate or of a related body corporate * the spouse, domestic partner, parent, child or sibling of a director or secretary of the body corporate or of a related body corporate * the parent, child or sibling of the spouse or domestic partner of a director or secretary of the body corporate or of a related body corporate * a related body corporate. |
| **An agent or employee** | * an agent or employee of the proprietor who is not an employee of an SRS. |

# What transactions are permitted?

Transactions that relate *only* to providing **accommodation and personal support** to an SRS resident (in line with the Act) are permitted.

There are also specific criteria that mean that a transaction is not prohibited.

A transaction is *not* considered prohibited if there is no benefit to the SRS provider or close associate, but it:

* benefits a resident, or
* does not cause them to be worse off financially.

### What is a prohibited transaction?

To protect the interests of residents, an SRS provider and their close associates are not allowed to enter certain types of transactions with residents. These transactions are called prohibited transactions.

It is against the law for an SRS provider (or close associates) to:

**Accept gifts** when:

* + a gift from a resident is worth more than $250
  + one or more relevant gifts within the previous six months which when combined are worth more than $250.

**Deal with property** when:

* + transferring (by sale or exchange) real or personal property from a resident at below market value
  + selling real or personal property to a resident for more than market value.

**Enter a transaction with a resident when**:

* it is worth more than $250, without the resident or administrator signing a written agreement
* one or more relevant transactions with a resident within the previous three months, that when combined is worth more than $250, without the resident or administrator signing a written agreement
* it is worth more than $850, without the resident first getting independent financial or legal advice.

# What are my reporting requirements?

### What do I need to report?

Some transactions are known as ‘reportable transactions’.

SRS providers must meet obligations under the Regulations and Act to report these to the Regulator. See Table 2 for further details.

Table 2: Reportable transactions

|  |
| --- |
| **Reportable transactions are:** |
| * any transactions between you or your close associate and a resident that involves any kind of property (including money) worth more than $250 |
| * can be in one transaction, or in one or more transactions, that when combined are equal to $250 |
| * does not include a transaction at market value that relates only to the provision of accommodation or special or personal support to the resident, in accordance with the Act. |

### Steps to report

When reporting to the Regulator, SRS providers must follow important steps, including:

**Timing** – an SRS provider (or close associate) must forward details of all reportable transactions to the Regulator [via email](mailto:Incidents@ssr.vic.gov.au) <incidents@ssr.vic.gov.au> **within 14 days** of entering into the transaction.

**Accurate copies** – the report must include a copy of the written agreement for the reportable transaction.

**Providing necessary evidence** – if the transaction involves property worth more than $850, an SRS provider must also provide evidence of market value and evidence that the resident has obtained independent legal or financial advice.

**Details on close associate involvement** – if an SRS provider becomes aware that their close associate has engaged in, or is engaging in, a reportable transaction, the provider must:

* notify the Regulator within two days and
* provide information about the identity of the close associate involved.

#### Cooling off period

A cooling off period applies to both prohibited and reportable transactions. Under the Act:

* an SRS provider is required to have a cooling off period when entering into a prohibited or a reportable transaction
* a close associate of an SRS provider is also required to have a cooling off period when entering into a prohibited or a reportable transaction
* a resident has five days to change their mind and cancel the arrangement
* an SRS provider (or close associate), are not permitted to deal with the property in the transaction during the cooling-off period.

# What is the Regulator’s role?

The Regulator is committed to its duty to protect service users and will not hesitate to act to protect service users from harm, abuse and neglect. This includes taking enforcement action.

Failure to meet obligations when managing residents’ money breaches the Act and the SRS Regulations*.*

Failure to meet obligations may result in penalties, that can include fines and prosecution.

# Useful resources and contacts

## Resources

Fact sheets on requirements for Supported Residential Services (SRS) providers are at: https://www.vic.gov.au/supported-residential-services

This series of fact sheets on requirements for SRS providers under the Regulations includes:

* Using a residential service agreement (RSA)
* Managing support plans
* Managing residents’ medication
* Staffing requirements
* Managing residents’ money.

## Contact us

Details of reportable transactions must be sent to the Regulator within 14 days of entering into the transaction, [via email](mailto:Incidents@ssr.vic.gov.au) <incidents@ssr.vic.gov.au>

For further information about managing an SRS resident’s money not covered by this fact sheet, you can contact the Social Services Regulator:

* [email the Social Services Regulator](mailto:Email%20the%20Social%20Services%20Regulator) <enquiries@ssr.vic.gov.au>.

|  |
| --- |
| To receive this document in another format, or email [Social Services Regulator](mailto:enquiries@ssr.vic.gov.au) [enquiries@ssr.vic.gov.au](mailto:enquiries@ssr.vic.gov.au)  Authorised and published by the Victorian Government, 1 Treasury Place, Melbourne.  © State of Victoria, Australia, Department of Families, Fairness and Housing, August 2024.  Except where otherwise indicated, the images in this document show models and illustrative settings only, and do not necessarily depict actual services, facilities or recipients of services. This document may contain images of deceased Aboriginal and Torres Strait Islander peoples.  In this document, ‘Aboriginal’ refers to both Aboriginal and Torres Strait Islander people. ‘Indigenous’ or ‘Koori/Koorie’ is retained when part of the title of a report, program or quotation.  ISBN 978-1-76130-660-0 **(pdf/online/MS word)**  Available at <https://www.vic.gov.au/supported-residential-services> |