

**HEALTH AND
HUMAN SERVICES
EMERGENCY
MANAGEMENT**

Personal Hardship Assistance Program (PHAP) Policy

December 2012

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Personal Hardship Assistance Program (PHAP) Policy

The Personal Hardship Assistance Program (PHAP), previously the Personal Hardship Grants Program, was reformed in 2011, with the new program taking effect from 1 December 2011. In reforming the program:

- Financial assistance was simplified into two categories.
- A one-off increase was applied to payment amounts, with the value to be maintained through annual adjustment in line with the Consumer Price Index (CPI).
- Administration was streamlined to improve consistency and timeliness.

There are two categories of assistance under the PHAP:

1. Emergency relief assistance - a set payment per household to meet immediate relief needs.
2. Emergency re-establishment assistance - payment to assist in the re-establishment of a principal place of residence, once eligibility is established.

The PHAP continues to be eligible for partial reimbursement of expenditure from the Commonwealth Government, based on the 2011 Natural Disaster Relief and Recovery Arrangements (NDRRA) determination.

Purpose

The Personal Hardship Assistance Program Policy (PHAP Policy) supports the PHAP by setting out the key elements of the program and promoting consistency of application across Victoria.

The purpose of the PHAP is to provide a timely 'helping hand' to Victorians experiencing personal hardship after an emergency in the form of government financial assistance, so that those affected can strengthen their capacity to recover by:

- addressing their immediate needs
- re-establishing their principal place of residence.

Principles

The PHAP Policy is guided by the following principles:

- The potential availability of financial assistance should not be a disincentive to developing personal resilience and insuring household items and structures.
- Where applicable, financial assistance should help people to return to or remain on their property, or re-establish a residence elsewhere, as soon as possible.
- Best efforts will be made to balance helping people quickly and compassionately and requirements for financial accountability.
- Eligibility to receive a payment under the PHAP does not establish eligibility for any other financial assistance under this or other programs.
- Information about the purpose of the assistance payment should be provided to the applicant, along with other relevant information to assist in their recovery.
- The PHAP incorporates the provision of personal support to people affected by an emergency, in that:
 - PHAP staff with a direct client role should also be competent in the provision of personal support.
 - Affected people will not be asked to repeat their information or their story more than is necessary to ensure they receive the assistance they need.

- The financial assistance available through the PHAP should be seen as only one means of supporting people affected by an emergency. As such, with appropriate consent, the PHAP should help link people to other relief and recovery services.

Definitions

For the purpose of the PHAP Policy, the following definitions apply.

Household

A household is a person or group of people who normally reside in a premises. The premises at which they reside would usually have its own property title or rental agreement and would be metered for the supply of utility services. Households are considered separate households for the purpose of processing applications if they reside in different premises on the same property.

The composition of a household can vary from one adult to a mix of adults and children of different ages and dependencies.

For the purpose of calculating payments made under the PHAP Policy, a child will be regarded as an adult if they:

- are 18 years or older
- work full time and contribute to the household income regardless of age.

Hardship

Hardship is demonstrated when an applicant requires financial support to access accommodation and other essential items such as personal requisites, toiletries, clothing or to leave an affected area, and the need has not been met by other relief services.

“Likely to cause hardship”

Likelihood is a term used, in conjunction with *consequence* to assist in identifying and describing *risk*.

Likelihood is defined as the ‘chance of something happening’ (AS/NZ ISO 31000:2009). For the purpose of the PHAP Policy, the determination of ‘likely to cause hardship’ is at the discretion of the assessing officer based on their judgement that hardship will occur.

Principal place of residents

The principal place of residence is where the household primarily resides. It is usually the address shown on the applicant’s driver’s licence and/or their electoral registration address.

PHAP funding

All expenditure on payments will be from the Health and Human Services Emergency Management budget up to the NDRRA small disaster criterion for an eligible natural disaster, over which expenditure becomes eligible for partial reimbursement from the Commonwealth Government. Further information on NDRRA is available at:

<http://www.em.gov.au/Fundinginitiatives/Naturaldisasterreliefandrecoveryarrangements/Pages/NaturalDisasterReliefandRecoveryArrangementsGuidelines.aspx>

Financial delegation

Emergency relief and re-establishment assistance applications forms will be completed and signed, and payments made, by authorised staff of the Department of Health or Department of Human Services only. Departmental staff administer the PHAP in delegated roles under the authorisation of employees to create financial obligations instrument as an employee of the Department of Human Services or the Department of Health, which cannot be further delegated.

The following roles have financial delegations to administer the PHAP:

- **Personal Hardship Assistance Program Officer (PHAP Officer)** – up to the maximum emergency re-establishment assistance upfront advance amount.
- **Personal Hardship Assistance Program Coordinator (PHAP Coordinator) and Regional Recovery Manager** – up to the maximum emergency re-establishment assistance payment amount.

Value, indexation and adjustment of payment amounts

The value of payment amounts, set in December 2011 (see Appendices 1 and 2), will be maintained through annual adjustment in line with the Melbourne Consumer Price Index (CPI), as follows:

1. Emergency relief assistance payments will be rounded to the nearest \$20.
2. Emergency re-establishment assistance payments will be rounded to the nearest \$50.

Revised amounts, together with adjusted income limits (see below) will form an attachment to the PHAP guidelines.

Benchmarking and adjustment of income limits

An income test is part of the eligibility test for emergency re-establishment assistance and refers to established benchmarks of:

- allowable income to qualify for a Commonwealth Government Low Income Health Care Card (adult component of the household), and
- the Victorian Caregiver Reimbursement Rate for General Caregivers (child component of the household).

Income limits are reviewed annually and adjusted to reflect changes in the allowable income to qualify for a Commonwealth Government Low Income Health Care Card and the Victorian Caregiver Reimbursement Rate for General Caregivers for children aged 13 years and older.

Privacy

Administration of the PHAP will comply with the *Information Privacy Act 2000*.

Information collected through the administration of the PHAP may help people to access other relief and recovery services if the information can be shared. Applicants should therefore be encouraged to provide their consent to release their information to other relevant agencies.

Any release of information will only occur with the consent of the applicant.

Equal opportunity

No person will be discriminated against on the basis of age, gender, race, impairment, sexual orientation, religion, marital status or other personal characteristics.

Right of appeal

An applicant can appeal a decision made regarding their application for personal hardship assistance.

PHAP guidelines will outline the process, which will be consistent with departmental guidelines.

Overpayment

An overpayment of personal hardship assistance under the PHAP may result from a:

- genuine error, misunderstanding or misinterpretation of the PHAP Policy or PHAP guidelines
- deliberate action to defraud
- successful insurance claim, or claim for compensation, for expenses for which re-establishment assistance payment/s were made to assist a household.

An applicant may be required to repay an amount if they are subsequently found not to meet eligibility criteria or where they subsequently receive insurance or other compensation.

In cases where compensation is received by a household at a point in the future, and the outcome was not reasonably expected or known at the time of application for personal hardship assistance, repayment may not be pursued, at the discretion of the Regional Recovery Manager.

Overpayments as a result of a deliberate action to defraud will be processed as per program guidelines.

Administration and record keeping

Administration of payments will be undertaken by PHAP Officers and Coordinators, trained to assess and process applications.

PHAP guidelines will be developed to support implementation of the PHAP Policy in a consistent and timely manner across Victoria. Administrative systems and operational procedures will facilitate data analysis and reporting requirements of the PHAP.

The PHAP will be subject to internal auditing and requests for information under Freedom of Information legislation. Record keeping will be in line with departmental record keeping practices.

Emergency relief assistance

Purpose of emergency relief assistance

Emergency relief assistance is provided to alleviate personal hardship arising from the effects of an emergency by helping to meet immediate essential health, safety and wellbeing needs.

Availability

Emergency relief assistance is available to eligible applicants to assist a household **during the first seven days** after single house fires and the following natural emergency events:

Bushfire, flood, storm, storm surge, landslide, earthquake, meteorite strike, tornado and tsunami.

Availability of emergency relief assistance for single incidents, other than single house fires, is at the discretion of the Director, Health and Human Services Emergency Management.

Eligibility criteria

The eligibility for emergency relief assistance is established when providing for shelter, food, clothing, personal items or specific transport (i.e. to leave an affected area) has caused (or would likely cause) hardship for an individual or household affected by an emergency.

Payment amount

The amount of emergency relief assistance to be paid to an eligible applicant is based on a pre-determined 'set' amount per individual (adult and child), capped per household and will form an attachment to the PHAP guidelines.

The payment amount for a child equals one half of the payment amount for an adult.

These amounts must not be varied. If a lesser amount is requested by the applicant, other relief assistance should be sourced to meet the identified need.

Payment method

Prepaid cards will be the primary method of payment of emergency relief assistance, enabling recipients to withdraw cash from Automatic Teller Machines or over the counter at any bank or credit union, and to make a purchase from merchants that accept VISA Prepaid. The prepaid card is not a credit card.

Prepaid cards provide immediate access to cash 24 hours a day, 7 days a week and offer greater security and convenience to cash or cheques. Prepaid cards allow the fastest access to payment to meet a range of emergency relief needs.

Prepaid cards have a cash value of the set payment amounts for the emergency relief assistance applicable to the household. Where payment is made with two or more cards, the total amount must equal the set amount for the household composition.

At the discretion of the PHAP Officer, after careful consideration of existing circumstances and conditions at the time, a cheque may be used to make payment if it will provide easier access to the payment, for example, where the applicant is elderly and unfamiliar with using debit cards.

PHAP guidelines describe the use of pre-paid cards and cheques.

Emergency re-establishment assistance

Purpose of emergency re-establishment assistance

Emergency re-establishment assistance is provided to help eligible people affected by an emergency re-establish in their homes where their own resources are inadequate and where their re-establishment needs are not met by insurance or other forms of assistance.

Availability

Emergency re-establishment assistance payments can only be made available after the approval of the Premier or the Minister for Police and Emergency Services and can only be provided for the emergency event for which approval is given.

Application period

The application period for emergency re-establishment assistance will commence once emergency re-establishment assistance becomes available and end on the 180th day after the impact of the emergency, unless varied by the State Recovery Coordinator.

A further 30 days will be allowed for the submission of additional or outstanding documentation to finalise the assessment of incomplete applications, unless varied by the State Recovery Coordinator.

Processing time

An application should be processed within 14 days.

Emergency re-establishment assistance payments should be made within 5-7 days of approval of application, via direct deposit to allow timely access to funds.

Eligibility criteria

Applicants must meet three eligibility criteria to receive emergency re-establishment assistance:

1. An applicant's principal place of residence must have been rendered uninhabitable (unfit to live in) or made inaccessible for more than seven days as a consequence of the emergency event.
2. An applicant must meet the income test (see below), and
3. An applicant's expenses and/or losses must not be covered by insurance.

Evidence

An applicant is required to provide adequate evidence of identity, impact/damage, income and insurance at the time of applying for emergency re-establishment assistance.

Verification of eligibility

The Department of Human Services will verify, through best efforts, the eligibility of an applicant for emergency re-establishment assistance.

In addition, applicants will be asked to make a legally binding declaration that they have been adversely affected by an emergency and that they will use any payment provided to alleviate personal hardship related to meeting any of the following needs:

- alternative accommodation
- removal of debris from residential properties
- essential repairs to housing to restore it to a habitable condition
- demolition or rebuilding to restore housing to a habitable condition
- repair or replacement of essential household items.

Income test

Income assessments will be based on:

- Gross weekly family income for Pay As You Earn (PAYE) Taxpayers; or
- Gross weekly income, minus gross weekly expenditure, for the self-employed.

Household income will be calculated based on a maximum of three household members who earn an income and contribute to household operating costs. Household income may include the income of a child if the child is working full time and contributes to household income. If the assessment includes three household members, all incomes are summed, divided by three and multiplied by two in order to calculate a two-adult household equivalent.

An application can be re-assessed if household income diminishes within three months of the emergency event and is attributed to the emergency event.

Payment amount

Three income thresholds determine available assistance, where the amount payable decreases as the household income increases (see Appendix 2). The maximum amount of available assistance (after assessment) for each threshold equates to:

- Threshold 1 – the maximum amount payable
- Threshold 2 – two-thirds of the maximum amount payable
- Threshold 3 – one-third of the maximum amount payable.

Maximum amount

As at 1 December 2011, the maximum amount of emergency re-establishment assistance payable was set at \$30,000 with the intention of adjusting this amount annually, in line with the Melbourne Consumer Price Index (see *Value, indexation and adjustment of payment amounts*).

Initial payment

In the initial period following an emergency, an applicant may demonstrate need for assistance but may not be able to provide **all** evidence to enable **full** verification of eligibility for re-establishment assistance (see *Verification of eligibility*).

Where this circumstance arises **in the first month** during which re-establishment assistance is available, an initial payment, up to the maximum initial payment amount, can be paid.

Note: applicants should be requested to provide as much evidence as is available to support their application.

Maximum initial payment amount

The maximum amount of emergency re-establishment assistance that can be paid as an initial payment is \$3000.

Appendices

Appendix 1: Emergency relief assistance: Household situation and payment amounts, as at 1 December 2011

Household situation	Amount to be paid
Sole resident	\$480
1 principal resident + 1 dependent child	\$720
1 principal resident + 2 dependent children	\$960
2 principal residents	\$960
1 principal resident + 3 or more dependent children	\$1,200
2 principal residents + 1 or more dependent children	\$1,200
3 or more principal residents	\$1,200

Appendix 2: Emergency re-establishment assistance: Household composition, income limits and payment amounts, as at 1 December 2011

Household Composition		Income threshold 1 To be eligible for 100% of maximum REA		Income threshold 2 To be eligible for two-thirds of maximum REA		Income threshold 3 To be eligible for one-third of maximum REA	
Adults	Children	Income limit	Maximum REA	Income limit	Maximum REA	Income limit	Maximum REA
1	0	\$588	\$26,000	\$705	\$17,350	\$823	\$8,650
2	0	\$1,020	\$28,000	\$1,224	\$18,650	\$1,428	\$9,350
1	1	\$803	\$28,000	\$920	\$18,650	\$1,040	\$9,350
2	1	\$1,235	\$30,000	\$1,439	\$20,000	\$1,643	\$10,000
1	2	\$1,018	\$30,000	\$1,136	\$20,000	\$1,289	\$10,000
2	2	\$1,451	\$30,000	\$1,655	\$20,000	\$1,859	\$10,000
1	3	\$1,234	\$30,000	\$1,351	\$20,000	\$1,469	\$10,000
2	3	\$1,666	\$30,000	\$1,870	\$20,000	\$2,074	\$10,000
1	4 (or more)	\$1,449	\$30,000	\$1,567	\$20,000	\$1,684	\$10,000
2	4 (or more)	\$1,882	\$30,000	\$2,086	\$20,000	\$2,290	\$10,000