

ISSUE 73

NEWSLETTER

Informative articles, Centrelink News & Market Update



DGZ Financial Planning is pleased to introduce our new financial adviser John Mulcahy

John has recently joined us as a financial adviser. He has a wealth of experience, having commenced in the financial services industry in 1989 and has been providing financial planning advice since 1998. Having formed a professional association with Peter over 20 years ago he is excited to now have the opportunity to join the team at DGZ.

John began his financial planning career with Suncorp but then spent many years advising with prominent Queensland super funds, notably Sunsuper and LGIA super (linked to Queensland local government). Throughout his career, John has specialised in assisting clients prepare for, and successfully transition, into retirement and looks forward to continuing this with DGZ.

Having grown up in the region, John is grateful for the opportunity to join our team and is glad to, once again, be able to enjoy the great lifestyle that regional Queensland has to offer.

John is available for new clients so if you or someone you know is in need of advice, call us on 07 4151 7881 to book an appointment.



Diploma of Financial Planning, Bachelor of Commerce (Accounting), Graduate Diploma in Applied Finance and Investment

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Changes to Age Pension if you get income from working

From 1 January 2023, Services Australia can suspend your Age Pension for up to 2 years if you get Australian employment income.



Services Australia can do this if your employment income goes over the cut off point for more than 6 fortnights in a row. They can do this for up to 2 years. This means that you don't have to reclaim if you start earning less, or stop working. If your income goes over the cut off point, they'll pay you \$0 for that fortnight.

You must tell Services Australia if you or your partner starts any paid work and you must report your income each fortnight. If you don't, you may get paid too much Age Pension and you'll have a debt to pay back. Your payment may also be stopped.

You can also keep your Pensioner Concession Card for up to 2 years during the suspension and you won't need to report your income each fortnight. Services Australia won't suspend your Age Pension if any of the following apply:

- you don't get Australian employment income
- you have a Work Bonus balance
- you only earn income from self-employment, even if your business is in Australia.

If your payment has been suspended, your partner may also have their payment suspended.

You can ask Services Australia to restore your payment within 2 years if any of the following apply:

- your income reduces below the cut off point for Age Pension
- you stop working.

If this happens, call Centrelink on 132 300 and ask for your Age Pension to be restored. You must contact Services Australia within the period on the letter or email that was sent to you. If you contact them after this period, you'll need to submit a new claim for Age Pension.

MOVING INTO AGED CARE

Key takeaways

- The need for aged care can be sudden, often triggered by unexpected changes in health. Also, it can be an uncertain and overwhelming experience for you and your family.
- Without preparation, a move into aged care can cause great emotional and financial strain. So, what can you do for yourself and your loved one to be better prepared? We look at some of the key decisions to consider to help you plan ahead and get ready.

Types of aged care

Help at home: if your relative prefers to live independently, they can receive care at their home (or a retirement village) when needed. This may include help with personal care needs such as showering and cooking meals, medical care, or other domestic support, such as home maintenance.

Short term care: may be required after a hospital stay or if the regular carer is taking a holiday

Aged care home: supplemented accommodation with 24-hour care available. Can be short term or permanent.

Moving into aged care: the process

There are four fees that may be payable when residing in a Government subsidised aged care facility. The below table provides a general summary of what you or your relative might be expected to pay. If your relative decides moving into aged care is the right move, there are steps required to get the process in motion.

1. Have their needs assessed

To be eligible for Government subsidies, a person must be assessed by a member of the Aged Care Assessment Team (ACAT). This assessment is free and can be done at home, a health centre or hospital.

The ACAT member will ask them a series of questions about their health, mobility and any help that they currently receive at home, to determine whether residential aged care is required based on their needs



2. Find an aged care home

Once ACAT approval is received, you can start looking for relevant accommodation. When evaluating aged care home options, it's worth contacting a selection of providers to get a better comparison.

If you're unsure about the facilities and rooms available in a particular area, you can find out more information by visiting myagedcare.gov.au. It may be beneficial to have a list of questions prepared to ensure you receive the information you need.

These questions may include:

- What kinds of recreational activities are offered?
- Are the available rooms shared or single rooms, and is there a private ensuite?
- What types of other services are regularly provided (such as physio or hairdressing services for example)?
- What food and beverage options are available?
- Will your relative have access to a phone, internet or mobile phone to contact you?
- Ask to see a brief report of the Health and Safety report. This is a good indicator with regards to, not only incidents that have taken place, but also incidents against residents and incidents of residents against staff.

Understanding your rights and responsibilities as well as those of the service provider will help you make an informed decision and get the best quality care to suit your relative's needs.

3. Work out the costs of moving into aged care

There are a number of fees that may be payable when residing in a Government subsidised aged care facility.



4. Apply for an aged home

Generally, multiple applications can be submitted when applying for an aged care home and you may have the ability to be placed on a waiting list.

You will be asked if you want to provide details of your relative's income and assets but you are not legally required to disclose this.

5. Moving your relative into aged care

Just before they move in, you'll be provided with an Accommodation Agreement. This is a legal document which sets out the terms of the residency as well as rights and responsibilities for your relative and for the aged care facility. You may want to consider seeking legal advice before signing it.

When your relative does move into an aged care home, don't forget to notify Services Australia (Centrelink) about their new living situation and any other change in circumstances (e.g. sale of their home, assets used to pay lump sum costs).

View our Guide to aged care, which outlines additional key steps to entering aged care and further explains the fees that may apply.

Thinking of selling your home? Upsize your super with downsizer contributions

Currently
If you're aged 60 or over

From 1 January 2023
If you're aged 55 or over

How it works

Sell a home that
has been your
main residence



Contribute
sale proceeds
to super

No maximum age limit or total
super balance limits



Up to
\$300,000
per person

Up to
\$600,000
per couple



Boost your retirement income

Eligibility conditions apply. To find out more speak to your financial adviser or visit ato.gov.au

Important information and disclaimer

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Next level potato salad

Ingredients

- 800g Jersey Royals, Charlotte or Anya potatoes, or another waxy variety
- 2 tsp wholegrain mustard
- 2 tbsp muscatel or white wine vinegar
- 4 tbsp olive oil
- 1 shallot, very finely chopped
- 3 tbsp mayonnaise
- 2 tbsp soured cream
- 1 tbsp horseradish sauce
- ¼ lemon, juiced
- 2 spring onions, finely sliced
- handful of crispy fried onions



Method

1. Tip the potatoes into a large pan of cold salted water. Bring to the boil, then simmer for 10 mins until tender to the tip of a knife.
2. While the potatoes are cooking, whisk the mustard, vinegar, olive oil and chopped shallot together with a good pinch of salt and a grind of pepper. When the potatoes are cool enough to handle, peel if you prefer, then halve, quarter or cut them into bite-sized chunks if large, then toss in the mustard dressing until completely coated. Leave to cool completely.
3. Meanwhile, mix the mayonnaise, soured cream, lemon juice and horseradish together. When the potatoes are cool, toss them through the mayonnaise mixture along with the spring onions. Tip into a dish and scatter with the crispy onions just before serving, or serve the crispy onions on the side for sprinkling over at the table.