

COVID-19: Financial stress for separating families

FACTSHEET

This factsheet is part of a series from Legal Aid NSW that aims to help answer your questions about COVID-19 and family law.

You may be worried or confused about how Covid-19 will affect you and your family. Sometimes a crisis can make legal problems worse or new problems might develop. Legal Aid NSW understands that there will be a lot of questions about family law issues, parenting and staying safe. This series of fact sheets will give you helpful information and contacts to support you and your family to manage all the changes that are happening in our community.

Separation can be a time of financial stress for many families, and many people have lost income due to the COVID-19 pandemic. This factsheet has tips for dealing with financial stress.

I can't afford to buy food for my family or pay my bills. What should I do?

Many charities offer food vouchers for those in need, or vouchers to help pay for bills like electricity. You can also ask about hardship arrangements. Try contacting a charity in your local area.

I can't afford to keep paying my rent. What should I do?

Legal Aid NSW can provide advice about your rights as a renter. Refer to our [“COVID-19: Housing – Evictions” fact sheet](#) or call 1300 888 529.

You can also contact [your local Tenants' Advice & Advocacy Service](#) or visit the [NSW Tenants' Union website](#), where you'll find answers to [frequently asked questions about renting during the pandemic](#). Some charities can help with temporary rent payments. Try contacting a charity in your local area to help you with money options.

Can I get payments from Centrelink?

The rules for some Centrelink payments are changing so more people will be eligible. Some Centrelink payments are also being increased to help people manage during the pandemic. If you have lost your job or your hours at work have been cut, you should contact Centrelink to find out whether you are eligible for payments. We have also created a [“COVID-19: Centrelink” fact sheet](#) to provide more information.

The Centrelink assets test is also changing for some payments. If you previously could not get Centrelink payments because of your assets, such as a house or money in your bank account, you should contact Centrelink to find out whether you will now be eligible.

If you are experiencing family violence or have recently been released from prison, you might be eligible for a one-off Crisis Payment. Contact Centrelink to find out if you are eligible.

If you have just separated from your partner and you are already get Centrelink payments, you must tell Centrelink within 14 days. You can do this by completing a [“Separation details” form](#). You might be eligible for a higher rate of payment following separation. If you and your ex-partner are still living in the same home following separation, you will also need to complete a [“Relationship details – separated under one roof” form](#). Centrelink will look at your situation to decide whether you should be paid as a single person or as part of a couple.

If you have applied for a Centrelink payment and have been refused, you can ask Centrelink to review the decision. You can do this by calling Centrelink, visiting a Centrelink office, or submitting a [“Review of](#)

[decision" form](#). You should do this within 13 weeks from when Centrelink told you that your application was refused, or you will not get back pay. If, after your review, Centrelink tells you that you still cannot get the payment, you should get legal advice about appealing to the Administrative Appeals Tribunal.

I'm not getting child support. What should I do?

If you are separated and have children, you can [apply for a child support assessment](#). Child Support looks at the income of both parents, and how much time children spend with each parent, to work out how much child support each parent should pay or receive.

If Child Support decides that the other parent should pay you child support, you can collect it directly from the other parent, or you can ask Child Support to collect it for you.

If you disagree with the child support assessment you can contact the Legal Aid NSW Child Support Service for advice by calling (02) 9633 9916 or 1800 451 784.

If you don't apply for a child support assessment, any family tax benefit you receive could be reduced. If you are afraid to apply for child support because of domestic violence from your ex-partner, you can contact Centrelink and ask to apply for an exemption.

I can't afford to keep paying off my debts and my mortgage. What should I do?

If you are in financial hardship and cannot afford to keep paying off your debts or your mortgage, you should talk to the organisation you owe money to, like a bank, a loan provider, or your energy company. Tell them you are in financial hardship and ask if they can put your repayments on hold or change your repayment plan. If you have lost your job or your hours at work have been cut because of COVID-19, you should explain this. Don't agree to a repayment plan that you cannot afford. When you are thinking about a repayment plan, do a budget for your rent, food, utilities, and other important expenses. This will help you understand how much you have left to make repayments.

A [financial counsellor](#) may be able to help you to negotiate with the organisation you owe money to. If you are experiencing domestic violence, you contact the Legal Aid NSW Domestic Violence Unit on (02) 9219 6300 and ask for help from a financial counsellor.

If you owe money to someone and they have started court proceedings against you, you should get urgent legal advice.

What do I do if my ex-partner and I need to divide up our assets?

If you have separated from your husband, wife or de facto partner, you might be able to make a property settlement to divide the assets and debts of your relationship. Property settlements are not just for houses. They can also include things like superannuation, savings, or even debts such as car loans.

There are time limits for property settlements. If you get divorced, you must start property proceedings in court within 12 months of your divorce becoming final. If you were in a de facto relationship, you must start property proceedings in court within two years of your separation.

There is no formula or rule for how property will be divided. The court is not required to split property half-half. The court will consider things like what contributions each person made to the property, including non-financial contributions made to the family such as being a caregiver and a homemaker, and what each

person's future needs are. For example, if one person will have primary care of the children or cannot earn much from their work, the court will take this into account.

Can I access my superannuation early?

If you are eligible, the Government will allow you to access your superannuation early. Think very carefully before you take out money from your superannuation savings before you retire. There are tax issues and time limits that you need to know before you apply. If you need the money to pay your debts, there may be better options for you.

Speak with a financial counsellor to help you decide if taking money from your superannuation is a good option for you.

Can I get a no-interest loan?

The No-Interest Loans Scheme (NILS) gives people on low incomes access to safe, fair and affordable credit. NILS loans of up to \$1,500 may be available to pay for essentials such as fridges or washing machines, medical expenses or car repairs. To find your nearest NILS provider, visit the [NILS website](#).

How can I get help?

For free legal help call 1300 888 529 or [call your local Legal Aid NSW office](#).

If you need an interpreter, call the Translating and Interpreting Service on 131 450 and ask for Law Access NSW. If you find it hard to hear or speak, call the National Relay Service on 133 677 and ask for Law Access NSW or visit www.relayservice.gov.au.

This factsheet is intended as a general guide to the law. Do not rely on this information as legal advice. We recommend you talk to a lawyer about your situation. This information is correct at the time of writing, however, it may change.