



Australian Government

FNSSUP412 Determine impact of social security entitlements on retirement income

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 2.0.

Application

This unit describes the skills and knowledge required to determine the implications of possible social security benefits in calculating an individual's retirement income stream. It does not include the provision of personal financial advice to an individual.

It applies to individuals who use specialised industry knowledge and systematic approaches to analyse numerical information accurately to complete tasks that meet organisational procedures.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Superannuation

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Research eligibility requirements for accessing social security benefits	1.1 Access and interpret reliable sources of current information on social security entitlements and their impact on income in retirement 1.2 Analyse the requirements of an individual's government aged pension entitlement 1.3 Determine how social security benefits impact on an individual's income in retirement or nearing retirement 1.4 Determine current eligibility requirements for relevant social security benefits and allowances that may apply to individuals and

ELEMENT	PERFORMANCE CRITERIA
	inform individuals that they will need to confirm eligibility with Centrelink
2. Apply means testing rules	2.1 Identify the treatment of income streams in the government's means testing process and the different treatments, if any, of account based and non-account based income streams 2.2 Apply means testing arrangements to various work activities 2.3 Identify the aged pension threshold rates at which government pensions reduce for the member 2.4 Use income and assets test information to calculate annual income stream amount to be assessed for social security purposes
3. Determine deemed income on retirement benefits	3.1 Identify the appropriate calculation for deemed income 3.2 Provide details on financial investments included and excluded in deemed income and the asset test calculation 3.3 Identify the appropriate deeming rates for an individual 3.4 Seek advice and clarification from appropriate personnel when required

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1-1.4, 2.1, 2.3	Gathers, analyses and interprets simple to complex information from a range of sources and identifies relevant information
Writing	3.2	Produces texts of varying complexity using appropriate language to convey information accurately and effectively
Oral Communication	3.2, 3.4	Uses clear, specific language and correct terminology to convey information and achieve required outcomes
Numeracy	2.1-2.5, 3.1-3.3	- Interprets financial information and analyses against guidelines and rules - Uses mathematical operations to accurately perform complex calculations using multiple forms of financial

		data
Navigate the world of work	3.4	Recognises and follows legislative requirements, explicit and implicit protocols, policies and procedures relevant to work activities
Interact with others	3.4	Selects and uses appropriate communication conventions and protocols to liaise with others
Get the work done	2.2, 2.4, 2.5	Makes decisions regarding the implications of possible social security entitlements based on evaluation against set criteria

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSSUP412 Determine impact of social security entitlements on retirement income	Not Applicable	New unit	No equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSSUP412 Determine impact of social security entitlements on retirement income

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 2.0.

Performance Evidence

Evidence of the ability to:

- research current information on social security rules and eligibility requirements and apply to determine impact on retirement income streams
- apply mathematical techniques to calculate retirement income taking into consideration the impact of possible social security entitlements
- apply mathematical techniques and correct rules and rates to calculate deemed income on retirement benefits

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- explain what is meant by the term social security and its relationship to retirement
- describe the key features of the Australian social security system and government retirement incomes policy
- describe the range of social security entitlements and benefits available for those retired or nearing retirement
- describe other types of government social security benefits and allowances including:
 - Department of Veterans' Affairs (DVA) benefits
 - payments for carers
 - payments for people with disabilities
- explain how means testing arrangements work
- describe the steps and process for calculating an individual's age pension entitlement
- outline the treatment of income streams, including pensions and annuities, in means testing
- explain how the social security system takes superannuation assets into account
- describe methods used to check for computational errors in financial calculations.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the superannuation field of work and include access to:

- office equipment, technology, software and consumables
- organisational policies and procedures.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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