



How Australia Post helped make BasicsCard services more accessible

Collaboration to prevent unauthorised BasicsCard purchases at Australia Post retail outlets has resulted in a win-win situation for BasicsCard holders and the Department of Human Services.

Customer: Department of Human Services

Website: humanservices.gov.au

Industry: Federal government

Challenge: Non-approved BasicsCard transactions were occurring at some Australia Post retail outlets. The Department needed to stop these purchases from occurring.

Solution: Australia Post and the Department recognised the benefit in bringing Australia Post retail outlets officially on board with the BasicsCard service.

Results:

The new agreement:

- Allows BasicsCard holders to shop for approved goods at selected Australia Post retail outlets.
- Increases BasicsCard approved outlets from over 7,000 to over 10,000.
- Allows BasicsCard holders to pay their bills at selected Australia Post retail outlets.
- Gives BasicsCard holders increased financial independence, reducing the number of interactions with the Department.

Background

The Department of Human Services is a federal government department that manages such bodies as Medicare, Centrelink and Child Support. It is responsible for developing service delivery policy and providing access to social, health and other payments and services.

One of the Department's responsibilities is the management of the BasicsCard. This PIN-protected card allows people with income-managed payments to access their money for the purchase of essential goods and services at approved stores and businesses. Cash cannot be withdrawn with a BasicsCard and the card cannot be used for excluded goods and services.

"It's a way to ensure income-managed money is used for food, clothing, medical costs, transport and so on," explains Leigh Allison, the Department of Human Services' Director of BasicsCard and Third Party Organisation (TPO) Services.

"The BasicsCard cannot generally be used to pay for fixed expenses, such as rent and utilities. People with income-managed payments had to contact the Department to have those bills paid."

The challenge

"We noticed that some transactions were taking place at Australia Post outlets, which were not approved for BasicsCard expenditure," says Leigh. "We needed to stop these unapproved payments from happening."

The strategy

Australia Post has had an important relationship with the Department for a long time. When the two organisations came together in 2011, it was to figure out how to stop the BasicsCard being used for unauthorised purchases in Australia Post retail outlets.





The strategy, continued

“Stopping BasicsCard payments would have been easy enough,” says Tim Quinn, Client Sales Executive at Australia Post. “We’d just send out a communication to all of our retail outlets and ask them to stop accepting the card.

“But then we looked at what people were buying with the BasicsCard and it was things like mobile phone recharge cards, soft toys for kids, postal services and so on. These purchases were not banned. So, we began discussing with the Department the possibility of Australia Post becoming an approved merchant for BasicsCard holders. The Department really saw the value in this.”

The solution

Australia Post made the necessary modifications to its point of sale (POS) electronic transaction system to become an approved BasicsCard merchant.

The results

“The Australia Post experience has been incredibly positive,” says Leigh. “The people we have dealt with have been very accommodating and always eager to work together towards the end goal. They really have been great to deal with.

“The proposal was a big one and we knew it would take time, but we were always quietly confident that it would succeed, and it has.”

With Australia Post on board, Leigh says BasicsCard holders also have the ability to pay their regular fixed expenses, such as electricity bills, at selected

Australia Post retail outlets, rather than having to call the Department to organise payments.

“Australia Post provides great services, especially in the Post BillPay space,” she says. “This not only streamlines traffic at our end, as BasicsCard holders no longer have to contact us to pay a bill, but it also offers people with income-managed payments a greater sense of independence. Plus, it brings our collection of approved merchants up from over 7,000 to over 10,000, and that can only be good for BasicsCard holders.”

Quinn is excited about the future opportunities that are made possible via this project – not only the fact that BasicsCard use is likely to grow in specific regions around Australia, but also for other government programs.

“This experience holds us in good stead for other major programs that government departments want to roll out to the public,” he says. “Australia Post has a massive retail network that spans the continent, and we’re able to make changes to facilitate programs, if required. We’ve just done it and we could do it again.”

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This case study is based on information provided by the Department of Human Services and illustrates how one organisation has worked with Australia Post. Many factors contributed to the results and benefits described. Australia Post does not guarantee comparable results elsewhere.

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