

Living expenses

A guide to living expense collection requirements

A guide on living expenses

The purpose of this guide is to provide additional information to assist you understand our updated living expense collection requirements and their impact to ApplyOnline and the manual serviceability calculator, which come into effect from 3 August 2021.

Living expense collection change summary

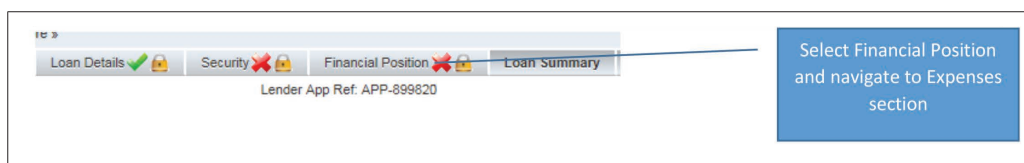
We have increased the number of categories for collection of living expenses. The changes impact education, insurance, and owner occupier utilities, and are a more granular capture of these expenses. The new or revised data fields are outlined in the table below.

Existing living expense type	Will be replaced by the following categories
Education	<ul style="list-style-type: none"> Public or Government Primary & Secondary Education Private & Non-Government Education Higher Education & Vocational Training
Insurance	<ul style="list-style-type: none"> General Insurance Personal Insurance (Life, Health, Sickness and Personal Accident)
Owner occupied utilities/rates	<ul style="list-style-type: none"> Primary Residence Costs (excluding Insurance) Secondary Residence & Holiday Home Costs Owner Occupied Strata, Body Corporate fees

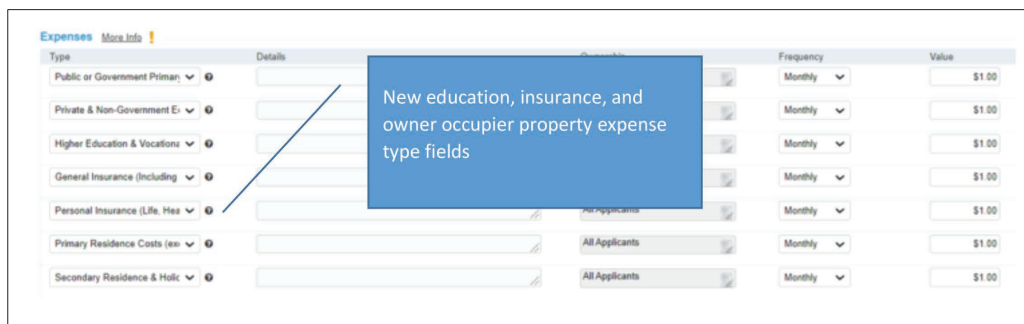
ApplyOnline input

We understand many of you will already be capturing this information from your clients and passing this to us and other lenders via mapping configured through your systems, resulting in no action or impact to you.

This section is intended to show you how to input the additional education, insurance or owner occupier utilities and rates expense data fields when captured or entered to ApplyOnline manually.



Navigate to the Financial Position tab, then scroll to Expense section.



Select the applicable new expense type from the drop down or when prompted by ApplyOnline and enter the required details.

Manual serviceability

As a result of these changes, the categorisation of living expense types is also changing, and will now be grouped under either General or Additional. See example in table below.

General living expenses		Additional living expenses	
Medical and health (ongoing medical costs, medical contingency and excludes personal health insurance)	\$ 100	Personal Insurance (Health, Life, Sickness and Accident)	\$ 100
Groceries (all food and beverage costs while at home)	\$ 1,000	Private & Non-Government Education	\$ 500
Clothing and personal care (clothing expenses, grooming, hygiene and other personal care costs)	\$ 200	Owner occupied Strata, Body Corporate	\$ 100
Recreation and entertainment (what you spend on weekend activities, holidays and concerts)	\$ 500	Secondary Residence & Holiday Home Costs	\$ 300
Childcare (childcare and carer costs like nanny or babysitter)	\$ 200	Other	\$ 100
Telephone, internet, pay TV and media streaming subscriptions (telephone, mobile, internet, media subscriptions like Netflix, Spotify or newspapers)	\$ 200		
Transport (all fuel, registration, maintenance, public transport and any other transport costs)	\$ 500		
Higher Education, Vocational Training (excluding HECS)	\$ 200		
Public/Government Primary & Secondary Education	\$ 300		
General Insurance (includes home and contents, car)	\$ 100		
Primary Residence Costs (excluding home and contents)	\$ 500		
Total	\$ 3,800	Total	\$ 1,100

Monthly living expenses (combined)		Annual
General living expenses (per month)	\$ 3,800	\$ 45,600
Additional living expenses (per month)	\$ 1,100	\$ 13,200
Total (per month)	\$ 4,900	\$ 58,800

PLEASE NOTE - DO NOT INCLUDE INVESTMENT PROPERTY EXPENSES IN THIS SECTION

When completing scenarios using the [manual serviceability calculator](#), please make sure you enter totals for General and Additional expense fields correctly aligning with the above table. This will ensure the correct serviceability assessment.

If you have any further questions, please contact your business development manager.