



SKILLSIQ

CAPABLE PEOPLE MAKE CLEVER BUSINESS

**Draft 1 – Diploma of Financial
Counselling
Consultation Guide
October 2021**



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Introduction

SkillsIQ is a not-for-profit Skills Service Organisation (SSO) supporting industry in developing standards to equip the people-facing workforce with the right skills for jobs now and into the future. SkillsIQ is funded by the Department of Education, Skills and Employment to support the Industry Reference Committees (IRCs) responsible for the development and maintenance of Training Packages in the following sectors:

- Community Services
- Health
- Local Government
- Public Sector
- Floristry
- Hairdressing and Beauty Services
- Funeral Services
- Retail Services
- Sport, Fitness and Recreation
- Tourism, Travel and Hospitality.

IRCs drive the process of Training Package development and are made up of people with experience, skills and knowledge of their particular industry sectors. IRCs are responsible for the provision of strategic input and advice that represent the needs of their workforce, and for ensuring Training Package Products reflect those needs.

Project Background

The update of the nationally recognised existing Financial Counselling qualification, three existing Units of Competency and the development of two new Units of Competency packaged within the CHC Training Package has been commissioned by the Australian Industry and Skills Committee (AISC) under the direction of the Client Services IRC.

Financial counselling is an evolving profession and financial counsellors are required to have completed, or be enrolled in, the *Diploma of Financial Counselling* in order to work in the profession. The core skills and knowledge required for the role have changed since the design of the current qualification, and the update of the qualification therefore plays a crucial role in the development of the financial counselling workforce.

The key changes that have occurred in recent years in terms of the operating and regulatory environment of the financial counselling sector, and which include changes to the requirements of the job role, are:

- ***The 2018 Royal Commission into Misconduct in the Banking, Superannuation and Financial Services.*** This Royal Commission recommended better recognition of the value of the financial counselling sector and more support for the sector with a substantial increase in funding from the government.
- ***2019–2020 bushfires and impact of the COVID-19 pandemic.*** These have led to an increase in financial hardships leading in turn to increased demand for financial counsellors to respond to the complex needs of clients and assist vulnerable consumers.
- ***Workforce pipeline shortage.*** This has revealed that the financial counselling workforce is ageing and that it is vital to maintain a pipeline of financial counsellors into

the future, as evidenced by the government's commitment to adequate funding for financial counselling services.

As a result of the above government and operational announcements and changes, the Diploma needs to be updated to reflect the following new skills and knowledge required by financial counsellors:

- **Supporting small business** - All financial counsellors will need to have skills and knowledge to assist small businesses in order to meet the significant increase in demand for counselling services in response to growing need, with many small businesses struggling with debt.
- **Complex needs** - Financial counselling casework has become increasingly complex in the past few years in terms of adjusting all aspects of service provision in response to the presence of mental health issues, addiction issues, problem gambling and family violence in prospective clients.

Technical Advisory Committee

To inform the update of the *Diploma of Financial Counselling* qualification, three existing Units of Competency and the development of two new Units of Competency, a Financial Counselling Technical Advisory Committee (TAC) was formed. The Financial Counselling TAC reports to the Client Services IRC and is made up of stakeholders and subject matter experts from across Australia who provide:

- guidance at the national level to ensure Training Package Products are flexible and responsive to changing needs and practices
- specialist advice and strategic direction in relation to stakeholder feedback and issues relevant to their sector
- views and feedback on behalf of the sector/organisation they represent
- facilitation of communication and consultation with others, including other members of their organisations, association members and other networks.

The aim of the update is to ensure that Financial Counselling Training Package Products equip graduates and new entrants to the workforce with current professional standards and practice to provide accurate and reliable financial advice, so that they have the skills to deal with small business and/or complex enquiries which are now key requirements for the sector. The update aims to ensure that industry has access to graduates who have the requisite skills and knowledge of current industry content, language and terminology to provide individuals seeking financial counselling services with accurate information and advice in order to make critical financial decisions for their households and/or businesses.

Updates to the Qualification

- The qualification description has been updated to reflect current industry practice.
- The list of core Units has been updated to better reflect the current skills and knowledge required by a Financial Counsellor.
- The following two Units of Competency have been removed from the core of the qualification:
 - *CHCADV005 Provide systems advocacy services*

- *CHCCSL003 Facilitate the counselling relationship and process*
- The list of elective Units of Competency has been updated to include the current versions, as published on www.training.gov.au.
- The Packaging Rules remain the same with the requirement that 17 Units need to be completed, of which:
 - 14 are core Units, and
 - three are elective Units.

Units of Competency to be Updated:

The following are the **existing three** Financial Counselling Units of Competency which have been updated in terms of Titles, content and Unit Codes:

- *CHCFIN001 Facilitate the financial counselling process*
- *CHCFIN002 Identify and apply technical information to assist clients with financial issues*
- *CHCFIN003 Develop and use financial counselling tools and techniques.*

Updated Units in the Qualification:

The following **three updated** Units are included as core units in the qualification:

- *CHCFIN006 Establish the financial counselling relationship*
- *CHCFIN007 Provide counselling, advice and represent the client*
- *CHCFIN008 Apply professional practice in financial counselling.*

New Units in the Qualification:

The following **two new** Financial Counselling Units of Competency have been developed to reflect the new skills and knowledge required by financial counsellors and have been included as core units in the qualification:

- *CHCFIN009 Provide financial counselling within a social justice framework*
- *CHCFIN010 Apply basic concepts of small business to financial counselling.*

Consultation Activities and Timelines

National consultation for Draft 1 will be open from **Thursday, 14 October to Thursday, 11 November 2021**. During this period input will be sought on the following Training Package Products relating to the *Diploma of Financial Counselling*.

- 1 qualification
- 5 Units of Competency and associated Assessment Requirements as developed by the Financial Counselling TAC.

SkillsIQ will be undertaking a number of key activities to engage community stakeholders and VET professionals. Further details are posted on the SkillsIQ website here:

[Financial Counselling Current Projects Page.](#)

Feedback can also be provided **online** via the SkillsIQ Online Feedback Forum, accessed at:

[Financial Counselling Feedback Forum page.](#)

When accessing the Feedback Forum, please first refer to the 'How To' guide located on the page. It will provide directions for leaving and submitting comments.

Following the close of the consultation period, feedback received will be collated and evaluated. This feedback will inform the development of the Validation Draft.

To remain up to date with project developments, please subscribe to SkillsIQ at:

<http://www.skillsiq.com.au/SubscribeToOurNewsletter.aspx>

About this Consultation Guide

This Guide, which should be read in conjunction with the applicable Draft Training Package Products, provides:

- A list of Draft 1 Training Package Products (one qualification and five Units of Competency and associated Assessment Requirements)
- Mapping of qualifications and Units
- Key consultation questions on which SkillsIQ seeks feedback to provide information to the IRC and TAC.

Contact details

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Financial Counselling Qualification

Qualification Code	Qualification Title
CHC51122	Diploma of Financial Counselling

List of Financial Counselling Units and Prerequisites

Unit Code	Unit Title	Prerequisite(s)
CHCFIN006	Establish the financial counselling relationship	Nil
CHCFIN007	Provide counselling, advice and represent the client	Nil
CHCFIN008	Apply professional practice in financial counselling	Nil
CHCFIN009	Provide financial counselling within a social justice framework	Nil
CHCFIN010	Apply basic concepts of small business to financial counselling	Nil

Qualification Mapping

A qualification is mapped as Equivalent (E) to another one when it provides the same skill and knowledge outcomes, including when:

- Core Units remain the same or are replaced by similar Units which provide the same skill and knowledge outcomes
- Numbers of electives remain the same or are raised or reduced slightly.

A qualification is mapped as Not Equivalent (N) when it provides different skill and knowledge outcomes, including when:

- Units have been added to the core which provide additional mandatory skill and knowledge outcomes
- Units have been removed from the core which reduce mandatory skill and knowledge outcomes
- A significant number of additional elective Units are required
- Entry requirements are altered, creating significant differences to the structure of the qualification.

Previous Qualification Code and Title	New Qualification Code and Title	Comment in Relation to Qualification E = Equivalent N = Not Equivalent
CHC51115 Diploma of Financial Counselling	CHC51122 Diploma of Financial Counselling	N Qualification description updated. Packaging of core Units changed. Updated qualification and Unit codes.

Unit of Competency Mapping

A Unit of Competency is mapped as Equivalent (E) when:

- It provides the same skill and knowledge outcomes
- Elements and associated Performance Criteria have remained the same, but are better expressed
- Knowledge Requirements have remained the same but are better expressed.

A Unit of Competency is mapped as Not Equivalent (N) when:

- It provides different skill and knowledge outcomes
- Elements and/or Performance Criteria have been added or removed
- Performance Evidence or Knowledge Requirements have been added or removed.

Previous Unit Code and Title	New Unit Code and Title	Comment in Relation to Unit E = Equivalent N = Not Equivalent
CHCFIN001 Facilitate the financial counselling process	CHCFIN006 Establish the financial counselling relationship	N Changes to Title, Elements, Performance Criteria and Knowledge Evidence. Updated unit code.
CHCFIN002 Identify and apply technical information to assist clients with financial issues	CHCFIN007 Provide counselling, advice and represent the client	N Changes to Title, Elements, Performance Criteria and Knowledge Evidence. Updated unit code.
CHCFIN003 Develop and use financial counselling tools and techniques	CHCFIN008 Apply professional practice in financial counselling	N Changes to Title, Elements, Performance Criteria and Knowledge Evidence. Updated unit code.
	CHCFIN009 Provide financial counselling within a social justice framework	New Unit
	CHCFIN010 Apply basic concepts of small business to financial counselling	New Unit

Questions for Consideration

The following questions have been developed to guide feedback for Draft 1 of the Financial Counselling Training Package Products.

Qualification – Diploma of Financial Counselling

- Does the qualification provide a clear and accurate description of the skills outcomes for the qualification?
- Entry Requirements: Should there be any Entry Requirements?
- The TAC has developed the following two Units of Competency that have been included as core units in the qualification:
 - *CHCFIN009 Provide financial counselling within a social justice framework*
 - *CHCFIN010 Apply basic concepts of small business to financial counselling.*
- Are the new Units appropriate to be included in the core or electives?
- Should the content of the above-mentioned Units be embedded in the existing CHCFIN Units?
- One of the recommendations made in the case for change submitted by the Client Services IRC was to provide learners undertaking the *Diploma of Financial Counselling (Rural) specialisation*, with an exemption from completing the Unit of Competency *CHCCDE002 Develop and implement community programs*, which is included in the core of the qualification. The Department of Agriculture had noted that the community development unit was not appropriate for rural financial counsellors. It was suggested that learners could, alternatively complete an additional elective unit.
 - *Training Package policy does not allow this to occur.* If a unit is in the core of the qualification, all learners undertaking that qualification must complete the unit. For an exemption to apply to rural financial counsellors, the unit would have to be moved to the elective bank, so that those completing the rural financial counselling specialisation could choose not to include it in their elective choices.
 - Should the unit *CHCCDE002 Develop and implement community programs* be included in the core or should this unit be moved to the elective list to allow rural financial counsellors to choose not to include it in their qualification.

Suite of Units of Competency

- Are the Packaging Rules for the core and elective composition of Units attainable at a Diploma level?
- Are all draft Units required? Should any be deleted?
- Are there any essential prerequisites that should be nominated?
- Are there any additional Units of Competency required?

Titles and Application Statements - Units of Competency

- Do the Titles reflect the skills being described? Could any be changed to better indicate what the Units cover?
- Does the Application Statement provide a clear and accurate description of the skills being described?

Elements and Performance Criteria

- Do the Elements and Performance Criteria accurately describe what people do in financial counselling job roles? If not, what could be added?
- Do the Performance Criteria adequately describe the level of proficiency?

Performance Evidence

- Would the types of evidence prove that a person is competent in all the Unit outcomes, including Performance Criteria, Foundation Skills and Knowledge?
- Is the suggested volume (sufficiency) of evidence appropriate? Too little, too much?
- Are the statements clear? Would assessors understand exactly what they must do?

Knowledge Evidence

- What is the essential knowledge required of an individual in order to perform the tasks described in the Performance Criteria? Is the Knowledge Evidence requirement specific enough?
- Is there anything which should be added or deleted?
- What is the breadth and depth of knowledge required? Is this described well enough to assist assessors understand the scope?

Assessment Conditions

- Are the nominated environments appropriate?
- Are the statements clear? Would assessors understand what they must provide for assessment?

Appendix A: Training Package Unit of Competency Terminology Guide

Units of Competency specify the skills and knowledge a learner needs in order to complete a work task. Each Unit of Competency has associated Assessment Requirements, which detail what a learner must demonstrate and know in order to be deemed competent, along with any special conditions which apply to the assessment of competency.

UNIT CODE	Unique code which identifies the Unit of Competency
UNIT TITLE	The Unit Title is a brief statement of the outcome of the Unit of Competency, i.e. what the task is that learners will be able to complete once they are deemed competent
APPLICATION	<p>The application summarises:</p> <ul style="list-style-type: none"> the content of the Unit of Competency and the skill area it addresses any relationship with other Units of Competency any licensing requirements or relevant legislation the Unit of Competency's scope, purpose and operation in different contexts, for example, by showing how it applies in the workplace.
PREREQUISITE UNIT	<p>Prerequisites are other Units of Competency or in some cases licences, etc. that a learner must complete before undertaking this Unit of Competency.</p> <p>This may be in order to provide underpinning skills or knowledge that is essential for a learner to undertake this Unit.</p>
ELEMENTS	The Elements are the basic themes of the Unit of Competency. They describe the significant functions that form part of the work task that the Unit of Competency covers.
PERFORMANCE CRITERIA	The Performance Criteria specify the required steps that enable the learner to undertake the work task.
Assessment Requirements	
PERFORMANCE EVIDENCE	Identifies what a learner must demonstrate in order to be deemed competent at the work task.
KNOWLEDGE EVIDENCE	Identifies what a learner needs to know to perform the work task effectively.

ASSESSMENT CONDITIONS	<p>Assessment Conditions provide the context for the Unit of Competency, describing essential operating conditions that must be present for assessment, depending on the work situation, needs of the candidate, accessibility of the items required, and local industry and regional contexts.</p> <p>They may specify any of the following:</p> <ul style="list-style-type: none"> • The conditions under which competency must be assessed including variables such as the assessment environment or necessary equipment or tools • Whether or not the Unit must be assessed in the workplace or may also be assessed via simulation • Resource implications, for example access to particular equipment, infrastructure or situations • Any required characteristics of the assessor, e.g. whether the assessor must hold a higher qualification in that field, etc.
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