

UNIT CODE	CHCFIN006
UNIT TITLE	Establish the financial counselling relationship
APPLICATION	<p>This unit describes the skills and knowledge required to assess and respond to the immediate and ongoing needs of clients using a structured strengths-based and client-focused financial counselling process.</p> <p>This unit applies to financial counsellors who work in agencies that meet the requirements for the Australian Securities and Investments Commission (ASIC) exemptions from holding a financial services or credit licence.</p> <p>The skills in this unit must be applied in accordance with Commonwealth and State/Territory legislation, Australia/New Zealand Standards and industry codes of practice.</p>
PREREQUISITE UNIT	Nil
COMPETENCY FIELD	
UNIT SECTOR	

ELEMENTS	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Assess suitability for financial counselling services.	1.1 Explain purpose and structure of the intake process. 1.2 Analyse client information to determine suitability for financial counselling. 1.3 Identify and address any conflicts of interest. 1.4 Clarify client expectations and needs to ensure the client understanding of the financial counselling process. 1.5 Identify information the client may need to bring to a face-to-face appointment.
2. Open financial counsellor engagement with client.	2.1 Build rapport with the client. 2.2 Explain what a financial counsellor does. 2.3 Explain the client agreement and obtain informed consent from client. 2.4 Explain the client's right to confidentiality and privacy and limitations.

3. Identify client situation and issues.	<p>3.1 Use an evidence-based counselling model of practice to understand all factors and risks that may impact on the client situation.</p> <p>3.2 Support client to identify their primary concerns in relation to the presenting issues and to prioritise concerns on which to work.</p> <p>3.3 Source and review available information about client income.</p> <p>3.4 Review and use client information to inform preparation of a statement of assets and liabilities for the client.</p> <p>3.5 Work with the client to prepare a statement of income and expenditure or statement of profit and loss.</p> <p>3.6 Collect information on each debt, including whether the debt is legally owed.</p> <p>3.7 Examine and analyse the information with the client to identify areas for further investigation and clarify status of debts.</p>
4. Provide tools to build client financial capability, resilience and wellbeing.	<p>4.1 Support the client using a strengths-based approach to increase financial capability.</p> <p>4.2 Assist the client to review and document their approach to managing living expenses.</p> <p>4.3 Provide additional information to address gaps in client knowledge about managing living expenses.</p> <p>4.4 Provide information to address gaps in client knowledge about their rights in relevant legal and consumer protection areas.</p> <p>4.5 Provide information to assist client to understand key aspects of their financial position and impact of debt.</p>
5. Make referrals.	<p>5.1 Identify areas for ongoing support and opportunities for specialist referral to other agencies or professionals.</p> <p>5.2 Proactively identify and explain support services available to the client.</p> <p>5.3 Make an appropriate referral with client consent if client need is identified as outside scope of own work role.</p> <p>5.4 Seek advice or secondary consultation if necessary.</p>

FOUNDATION SKILLS	
<i>FOUNDATION SKILLS ESSENTIAL TO PERFORMANCE ARE EXPLICIT IN THE PERFORMANCE CRITERIA OF THIS UNIT OF COMPETENCY.</i>	
SKILLS	DESCRIPTION
Reading skills to:	■
Writing skills to:	■
Oral communication skills to:	■
Numeracy skills to:	■

Learning skills to:	■
Problem-solving skills to:	■
Initiative and enterprise skills to:	■
Teamwork skills to:	■
Planning and organising skills to:	■
Self-management skills to:	■
Technology skills to:	■
UNIT MAPPING INFORMATION	Supersedes and is not equivalent to CHCFIN001 Facilitate the financial counselling process.
LINKS	Companion Volume Implementation Guide

TITLE	Assessment Requirements for CHCFIN006 Establish the financial counselling relationship
PERFORMANCE EVIDENCE	<p>Evidence of the ability to complete tasks outlined in elements and performance criteria of this unit in the context of the job role, and:</p> <ul style="list-style-type: none"> ■ performed the activities outlined in the performance criteria of this unit during a period of 220 hours of work in a financial counselling agency that has met the requirements for the Australian Securities and Investments Commission (ASIC) exemptions from holding a financial services or credit licence or in an appropriate simulated environment. ■ used critical thinking and problem-solving skills to engage with five different clients presenting with multiple and complex needs to identify and document their situation and build financial capability.

KNOWLEDGE EVIDENCE	<p>Demonstrated knowledge required to complete the tasks outlined in elements and performance criteria of this unit:</p> <ul style="list-style-type: none"> ■ agency intake processes, including: <ul style="list-style-type: none"> ○ risk assessment ○ screening tools ○ referral protocols ○ situations where the client is outside the scope of the service, such as the need for specialist counselling ■ criteria for assessing suitability for service, including: <ul style="list-style-type: none"> ○ individual factors:
---------------------------	---

- safety
 - capacity to make decisions
 - urgency/assets at risk, other vulnerabilities
- agency intake criteria
 - funding agreement requirements
 - any resource constraints
- situations where conflicts can arise and how they are managed so that the financial counsellor is clear about who is the client:
 - involving parties with conflicting needs
 - involving a current client and a former client
 - involving the client and the financial counsellor's interests
 - providing services to families or couples
 - providing services where there is a power of attorney
 - processes for undertaking conflict checks
- financial counselling role, including:
 - giving advice to clients
 - representing client and acting on the client's behalf
 - duty to act in the client's best interests
 - ethical obligations, including as set out in the Australian Financial Counselling Code of Ethical Practice
 - having expertise in financial difficulty and a range of areas relating to financial difficulty
 - financial counsellors are not:
 - financial planners or accountants
 - providers of emergency relief and material aid
 - finance brokers
 - legal advisors or solicitors
 - therapeutic counsellors
 - business advisors
- rights and responsibilities of workers, employers and clients
- relevant client documents (hard copy or online) such as: income source (e.g. Centrelink income statements), any legal letters, bills
- client-centred, strengths-based approaches to financial counselling and other counselling models consistent with these approaches
- aspects of informed consent including,
 - privacy statement
 - checking for understanding
 - varying or ending agreement
- general principles in the law in relation to confidentiality and privacy and any agency policies that may interact with these
- exceptions to confidentiality including:
 - client consent
 - being compelled by law e.g. subpoena
 - prevention of harm to client or another person
 - mandatory reporting
 - other reasons specific to states and territories
 - children in the workplace
- personal issues that may impact advice given:
 - mental illness
 - addictions (for example substance abuse, gambling)
 - trauma (for example family violence, elder abuse, victim of other violence, child abuse)
 - disability
 - age
 - poverty
 - homelessness

- cultural background
- income sources such as:
 - wages and salary
 - Centrelink
 - child support
 - rental/board
 - superannuation income stream or lump sum
 - insurance payment (eg TPD, income protection)
 - business income
 - compensation (workers compensation, injury and accident)
 - other income sources
- expenditure support relating to:
 - utilities
 - housing
 - cost of living
 - emergency relief and other assistance:
- relevant documents (hard copy or online) such as:
 - income source (eg Centrelink income statements)
 - any legal letters
 - bills
- tools for collecting financial information:
 - statement of financial position
 - income statements (including Centrelink)
 - liability and debt statements
 - complex needs assessment
 - legal documents and contracts
 - profit and loss statements for small business
 - assets and liabilities
- key information about a debt including:
 - how the debt first came about
 - legal framework that applied to it at the time
 - age of the debt
 - contract, responsible lending laws
- resources for clients:
 - use of Money Smart resources (ASIC)
 - use of National Debt Helpline website
- types of debt and their features, including:
 - secured or unsecured
 - unsecured credit products including credit cards, personal loans, BNPL, wage advance, SACCs & MACCs
 - consumer leases
 - fringe lenders/predatory lenders
 - joint/relationship debts
 - guarantors and co-borrowers
 - tax debts
 - fines and infringements
 - government related debts
- consumer protection laws, regulatory guidance and industry codes affecting consumers and small business :
 - National Consumer Credit Protection Act 2009 (particularly Schedule 1, National Credit Code and responsible lending, hardship requirements)
 - Competition and Consumer Act 2010 (particularly Schedule 2, The Australian Consumer Law)
 - State or Territory Fair trading acts
 - social security law
 - taxation law

	<ul style="list-style-type: none"> ◦ Privacy Act (and credit reporting code) ◦ Bankruptcy Act 1966 ◦ ASIC regulatory guides, ASIC/ACCC debt collection guidelines ◦ Banking Code of Practice, Customer Owned Banking Code of Practice, Telecommunications Consumer Protection Code, energy codes, BNPL Code ◦ Open data and the consumer data right <ul style="list-style-type: none"> ■ key aspects of a financial positions, including: <ul style="list-style-type: none"> ◦ income ◦ expenses ◦ liabilities ◦ assets ◦ Surplus/ deficit ◦ Cash flow (small business) ■ agency protocols surrounding referral and secondary consults ■ local networks for referral and support, including: <ul style="list-style-type: none"> ◦ legal aid ◦ family law ◦ welfare rights centres ◦ community legal centres ◦ specialist legal centres ◦ mental health support services ◦ AOD support services ◦ health services ◦ child and family services ◦ small business advisory services.
--	--

ASSESSMENT CONDITIONS	<p>Skills must be demonstrated in the workplace or with simulations and scenarios developed by Financial Counselling Australia capturing the full range of contexts and situations.</p> <p>Assessment must ensure access to:</p> <ul style="list-style-type: none"> ■ suitable facilities, equipment and resources, including: <ul style="list-style-type: none"> ◦ client information ◦ organisational policies, procedures and resources ■ modelling of industry operating conditions, including: <ul style="list-style-type: none"> ◦ scenarios that involve complex interactions with other people ◦ scenarios that involve problem-solving. <p>Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors.</p>
LINKS	Companion Volume Implementation Guide