



Financial Counselling Services Program
PROGRAM and APPLICATION GUIDELINES
2023 - 2027

Community Grants
NSW Fair Trading
NSW Department of **Customer Service**

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1. INTRODUCTION

This document provides information on the requirements for applying to provide services under the Financial Counselling Service Program (FCSP). FCSP direct services provide financial counselling services to consumers throughout NSW.

The FCSP is funded through NSW Fair Trading's operating budget including from the Rental Bond Board. Funding of the program assists NSW Fair Trading in meeting the objectives of promoting fairness in the marketplace and ensuring consumer protection.

FCSP funds incorporated not-for-profit organisations to provide direct services in accordance with the FCSP Program and Application Guidelines. Direct services and Aboriginal and Torres Strait Islander (ATSI) services operate in defined regions covering specific Local Government Areas and/or Statistical Divisions. Appendix 1 lists the geographic coverage of each direct service.

The FCSP is a State-wide program that funds not for profit organisations for the provision of:

- free-of-charge financial counselling by accredited counsellors
- consumer legal casework
- public education programs in debt and credit management
- training of financial counsellors

The FCSP Program and Application Guidelines provide detailed descriptions of the operation of the program, performance standards, funding and budgetary processes and reporting requirements.

1.1 Eligibility Criteria

To be eligible to apply for FCSP funding to operate a service, an organisation must:

- be based in NSW and be prepared to operate the service within the regional boundaries stipulated for the relevant service;
- be an incorporated community based, not - for - profit organisation.

1.2 Sub-contracting

If any services are proposed to be sub-contracted, the organisation must supply as an attachment, details of the:

- activities and value of the work to be sub-contracted; and
- name, address, qualifications and experience of the proposed sub-contractor(s).

If the application is successful, Fair Trading will enter into a Funding Agreement with the applicant organisation who remains responsible for:

- properly accounting for funds allocated to sub-contractors; and
- ensuring that all legal liabilities, including liabilities to clients and staff are met through sub-contracting arrangements.



1.3 Consortia

Applications may be submitted by consortia which might include, for example, community legal centres or Aboriginal services.

If the application is submitted on behalf of a Consortium an attachment must be provided with the Application Form which sets out:

1. the name, experience and role of all Consortium members;
2. how the Consortium will be set up including the nature of the legal relationship between the parties; and
3. how the Lead Agency (if applicable) will co-ordinate service delivery by Consortium members.

The application must also include as attachments "Letter(s) of Intent" or a "Memorandum of Understanding" showing the signed agreement of the proposed members to enter into a Consortium arrangement.

2. OBJECTIVES

The objectives of the FCSP are to ensure:

- consumers receive assistance in relation to credit and debt issues;
- consumers gain the ability, skills and knowledge to successfully manage their financial affairs
- the impact of credit over-commitment of consumers in NSW is alleviated
- public education on matters relating to the management of personal finances is advanced.

3. DESCRIPTION OF FUNDED SERVICES

The FCSP currently provides funding to:

- Financial counselling services operating in specific Local Government Areas (LGAs)
- A state-wide Credit and Debt Hotline
- Financial Counsellors Association of NSW (FCAN)

3.1 Services provided by financial counselling services

- Financial counselling services provide a range of services including:
- telephone and face-to-face information about financial and debt-related issues
- explaining options and informing clients about the potential consequences of each option
- face-to-face practical support including establishing debt repayment plans and budget planning
- advocating and negotiating with creditors on clients' behalf on issues related to the client's inability to pay bills and debts
- providing information on credit laws, the debt recovery process, bankruptcy and other areas
- increasing clients' knowledge of financial issues and how to avoid getting into financial difficulties in the future
- providing information on entitlements and forms of government assistance
- making referrals to other welfare or legal services
- conducting community education seminars and other activities on credit and debt issues



3.2 Credit and Debt Hotline

The Credit & Debt Hotline is state-wide 1800 phone line which operates Monday to Friday from 9:30am to 4:30 pm. Services provided include:

- detailed information and strategies for dealing with financial difficulties and negotiating with creditors
- legal advice and assistance
- information about court processes in relation to debt collection
- referrals to face-to-face financial counselling and information on how to prepare for a financial counselling appointment
- information and referrals to other services

3.3 The Financial Counsellors Association of NSW (FCAN)

The Financial Counsellors Association of NSW (FCAN) has a number of roles but its key role is training of financial counsellors. FCAN trains and accredits all financial counsellors who wish to work as a financial counsellor in NSW. All financial counsellors including volunteers providing financial counselling must be trained and eligible for accreditation by the Financial Counsellors Association of NSW.

Fair Trading provides funding to FCAN to conduct training programs including an allocation specifically for the training of Aboriginal financial counsellors. Funding is also provided for an Executive Officer position.

4. PRESENTING FINANCIAL PROBLEM

Clients of services funded under the FCS program may present with a range of credit and debt problems. These may vary from household to household and between financial counselling and legal services including:

- bankruptcy
- business failure
- business loan debt
- car loan debt
- credit card debt
- unpaid fines
- gambling debt
- mortgage arrears
- personal loan debt
- rent arrears
- taxation bill
- utility bills

A range of circumstances may trigger a credit and debt problem including loss of job, injury, illness, credit over commitment, relationship breakdown and cost of living increases.

Credit and debt issues affect a range of population groups across all income bands including people in employment, on government benefits, self employed or living on superannuation or investments. There is no income eligibility criteria for access to FCSP services but services may choose to prioritise particular population groups such as people from low income and disadvantaged backgrounds, depending on local needs.



5. FORMS OF ASSISTANCE

Providing services to FCSP clients often involves dealing with complex financial issues and multiple debts. Services may include examination of multiple items of documentation and multiple occasions of service through face-to-face meetings and/or phone contact.

Working with clients involves a high level of professional skills and personal support. Clients may have a range of associated personal issues including mental illness, drug and alcohol or gambling addiction, family violence or housing instability. One of the most important forms of assistance provided to FCSP clients is alleviation of stress and anxiety through finding solutions to financial problems and referral of clients to relevant support services.

Financial counselling services include:

- presenting clients with clear explanations of their financial situation
- offering clients a range of options to address their problem
- assisting clients to implement selected options
- negotiating affordable repayment plans with creditors
- improving clients' financial literacy
- providing clients with strategies on how they can negotiate with creditors themselves
- assisting clients with budgeting advice to help them to allocate their money appropriately
- facilitating access to crisis relief such as food or utility vouchers FCSP funds may not be used to provide direct financial assistance to clients.

6. BENEFITS AND OUTCOMES

A key objective of the FCSP is to resolve and/or significantly improve the presenting financial problem. It is also intended that clients have a greater understanding of credit and debt issues after receiving financial counselling and that they gain skills in how to manage their money and how to avoid unmanageable debt in the future.

The FCSP aims to assist clients regain control of their finances and promote improved access to assistance such as the financial hardship provisions offered by services such as utility providers.

Access to financial counselling services is recognised as a key mechanism in the prevention of homelessness. Access to financial advice and counselling services as a key means of preventing eviction from all forms of tenure including supporting people under mortgage stress to maintain their homes and assistance to people in rent arrears to avoid termination of their tenancy.



7. ACCESS TO SERVICES

7.1 Geographic coverage

The majority of FCSP organisations are funded to deliver a primary service in specified LGAs. A primary service is a service delivered from where the office is based. Some organisations who deliver a primary service also provide outreach services in additional locations. Outreach involves a financial counsellor travelling to another location to provide a service, usually on selected days of the week.

Outreach services are particularly important in rural and regional areas and services that operate a primary service in these areas are encouraged to develop opportunities to provide an outreach service.

Services in all locations are also encouraged to provide access to people with health or mobility problems through offering home visits. Home visits may also be appropriate in areas where transport options are limited.

7.2 Operating hours

Services funded under the FCSP generally operate during normal business hours. To support access to people in employment, funded services are encouraged to offer face to face appointments at times before 9.00 am or after 5.00pm at least one day a week. Schedule 2 of the Funding Agreement will set out the agreed days and hours of service for individual service providers.

8. STRATEGIES TO SUPPORT ACCESS FOR ABORIGINAL CLIENTS

Aboriginal communities are particularly vulnerable to credit and debt issues. While the FCSP funds a small number of Aboriginal-specific services in selected locations, all funded services are expected to offer culturally appropriate services to Aboriginal clients and to develop strategies to make their service accessible to Aboriginal clients, particularly in areas with high Aboriginal populations.

Examples of potential strategies include:

- Employment of Aboriginal workers
- Developing relationships with and maintaining on-going contact with Aboriginal specific services such as Aboriginal Legal Services, Aboriginal Medical Services and Local Aboriginal Land Councils
- Developing good relationships with local Aboriginal elders to engage them as cultural brokers to facilitate their community members using the FCSP funded service
- Providing information about service provision to Aboriginal community groups
- Providing outreach services to Aboriginal communities
- Information materials on credit and debt management targeting Aboriginal audiences



9. STRATEGIES TO SUPPORT ACCESS FOR PEOPLE FROM CULTURALLY AND LINGUISTICALLY DIVERSE BACKGROUNDS

Data suggests some under-representation of clients from CALD backgrounds among clients of funded services. All services are expected to develop strategies to increase access for clients from a CALD background particularly services operating in areas with a high proportion of CALD populations. Strategies to increase access might include:

- Employment of bilingual workers
- Brochures and factsheets on financial issues in languages other than English
- Material on websites in languages other than English
- Oral and/or written translation services
- Promotion of services in media servicing CALD communities

10. REFERRAL ARRANGEMENTS

Funded services are expected to develop strong referral relationships with other service providers. Key referral sources to financial counselling services include financial institutions/banks, welfare services, Centrelink, the Insolvency and Trustee Service, utility providers, legal centres and government departments including Community Services NSW and Housing NSW.

Many clients of financial counselling require referral to other services to resolve their financial difficulty including various ombudsman services such as the Energy and Water Ombudsman and Financial Ombudsman Service as well as services such as community legal centres. As many clients may be in financially vulnerable circumstances referrals are also frequently made to welfare services and Centrelink.

11. DEMAND MANAGEMENT

Early intervention by financial counselling services can act to prevent debt matters spiralling out of control, prevent poor choices under pressure and promote choices that improve outcomes for clients. Because of the stressful nature of financial problems and the likelihood that the problem will continue to deteriorate over time, waiting time for an appointment should ideally not exceed two weeks. Where waiting times are likely to exceed this time period other strategies may be needed such as:

- Giving priority to urgent matters that have legal action pending
- Providing clients with a greater amount of information via phone such as sample letters and publications to assist them to resolve the problem themselves
- Referring clients to the Credit & Debt Hotline or another FCSP service
- Referring clients to relevant websites



12. SERVICE MANAGEMENT SYSTEMS

Funded services are expected to establish and maintain detailed policies and procedures to support the provision of quality service delivery. As appropriate, these policies and procedures may address issues such as:

- Access and equity;
- Casework systems and protocols;
- File management;
- Confidentiality;
- Client rights and complaints management;
- Community education;
- Administrative systems;
- Financial management;
- Referrals;
- Community awareness;
- Human resource management;
- Training and professional development

13. COMMUNITY EDUCATION ACTIVITIES

Community education seminars are an important component of prevention of financial difficulties caused by credit and debt issues. Funded services are encouraged to conduct community education seminars targeting a range of population groups appropriate to their local area. Community education activities may also be undertaken with other local service providers.

Community education may also be facilitated through websites that provide information on financial issues in accessible formats including self help tools such as budget and money management calculators including materials in community languages. Funded services are encouraged to refer clients to relevant websites where appropriate including through links on their own websites.

14. PROMOTION OF SERVICES

To improve awareness of FCSP services, funded services are encouraged to promote the availability of their services through, for example:

- Brochures and posters at places like Centrelink, doctors' surgeries, pharmacies, Community Health Centres, court houses, Council buildings, public libraries, seniors centres, Aboriginal services
- Participation in local service networks
- Advertising in local newspapers
- Announcements on community radio and in newspapers in languages other than English
- Links from relevant web sites



15. PERFORMANCE MONITORING FRAMEWORK

Funded services must comply with the FCSP performance monitoring framework which includes:

- Collection and reporting of data in the prescribed format
- Annual reporting against agreed individual service delivery targets (such as hours of service, priority target groups, number of FTE positions, community education targets)
- Financial reporting
- Compliance with the FCSP Funding Agreement and FCSP Guidelines.

Performance monitoring may also include informal occasional visits to services by Community Grants representatives to review qualitative aspects of service delivery.

16. FINANCIAL REPORTING

An annual budget is required to be submitted by the service by the end of the first week in June preceding the commencement of each year of the funding period which forms part of the funding agreement.

Income and expenditure reports will generally be required to be submitted on a six monthly basis.

Audited statements for the previous financial year must be submitted by 31 October each year, with the exception of corporations, which must submit statements by 30 November each year.

17. FUNDING ARRANGEMENTS

17.1 Funding Agreement

Funding under the FSCP is subject to the Funding Agreement entered into between service providers and the Commissioner for Fair Trading.

The Funding Agreement sets out the mutual obligations of the parties. Failure to meet the provisions of the Funding Agreement may lead to withdrawal of funding in accordance with the relevant clauses of the agreement.

These Guidelines form part of the Funding Agreement. These Guidelines replace all previous versions or descriptions of service delivery requirements. A breach of these Guidelines will be a breach of the Funding Agreement and be subject to the breach provisions of the funding agreement.

17.2 Funding distribution

Under the FCSP funding model, a maximum amount of funds is allocated for each geographic region across NSW on a relative needs basis. Actual budgets for each service will be as negotiated with the approved provider (s) up to the maximum amount. Agreed budgets will form part of the Funding Agreement entered into with each service.



17.3 Payments

Funding payments will be made twice per year during the funding period subject to submission of satisfactory performance reporting against the targets set out in Schedule 2 of the Funding Agreement, compliance with the requirements of these Guidelines and the Funding Agreement.

All payments are made via electronic funds transfer.

18. PROGRAM EVALUATION

Program evaluation provides a means to ensure that the goals of the program are being effectively met. Program evaluations will be undertaken on a regular basis informed by collected client data, the results of the FCSP performance monitoring framework, client satisfaction surveys and other relevant considerations. Funded service providers may be required to participate in client satisfaction surveys to identify individual client outcomes including the degree to which their financial literacy has improved through financial counselling. The format of such client surveys will be as agreed with Fair Trading.

19. BENCHMARKS

As part of its ongoing performance-based funding model, Fair Trading has implemented a benchmark system to validate key aspects of the performance information it receives from service providers and improve assessment of service performance and client demand.

These benchmarks will continue to be refined in consultation with service providers to define key data fields/metrics.

Benchmarks established via consultation between the provider and NSW Fair Trading will form part of the Program Guidelines and the related funding agreement.

20. ADMINISTRATION

20.1 Budgets

A maximum amount of funding is available for Direct Services in each region and for each resource service as outlined in Appendix 1. Agreed budgets will form part of the Funding Agreement.

The budget should make sufficient provision for on-costs and organisational management costs should be commensurate with the scale of service delivery.

On average, over a twelve month period, salaries and on costs should constitute a minimum of 70% of budget expenditure.

The budget categories described at Appendix 2 should be used in the preparation of a budget. Applicants should submit a budget which matches available funds for the relevant service.



20.2 Full-Time Equivalent Positions

Each service will be funded based on an agreed number of full time equivalent (FTE) positions. The number of FTE's can be negotiated between the successful organisation and Fair Trading, however the minimum of 70% budget expenditure on salaries will apply. Services will be expected to direct as much of the available budget to front line service provision as possible.

The agreed number of FTE positions for individual services will be set out in the Funding Agreement.

20.3 Funding Agreements

Funding under the Program is subject to the legally binding Funding Agreement entered into between service providers and the Commissioner for Fair Trading. The Funding Agreement sets out the mutual obligations of the parties. Failure to meet the provisions of the Funding Agreement may lead to withdrawal of funding in accordance with the relevant clauses of the agreement.

20.4 Additional Documents

Applicants should supply copies of:

- their last two audited financial statements
- their last annual report or other recent documentation describing the structure, operations and achievements of the organisation
- examples of relevant service management policies particularly access and equity, complaints management and casework practices/protocols
- examples of existing or proposed job descriptions for direct service staff

21. HOW TO APPLY

Please email Community Grants at: grants@customerservice.nsw.gov.au to receive an application package. Please indicate whether applying for a Direct Service and ATSI Direct Service.



22. ASSESSMENT PROCESS

Applications will be assessed and ranked on the basis of them meeting the Eligibility Criteria, their fulfilment of the requirements of this document and compliance with the ranked Selection Criteria.

Applications will be assessed against the eligibility criteria which outline the minimum requirements an applicant must meet to be eligible for funding. Applicants who meet the eligibility criteria will then be assessed against the assessment criteria and comparatively against other applicants considering the consistency of the proposal with program objectives and the capability, experience, and skills of the applicants.

The process for the receipt and assessment of grant applications can be summarised as follows:

- **Eligibility Cull** - Grant applications will be assessed against the eligibility criteria. Ineligible applications will not proceed in the assessment process.
- **Assessment against assessment criteria** - An Application Assessment Team will assess the applications against the assessment criteria, and document their decisions, including reasons for decisions.
- **Recommendation** - The Application Assessment Team will make recommendations to the Grants Assessment Committee. The Committee will review, and where appropriate, ratify the recommendations of the Application Assessment Team.
- **Decision-making** - The Grants Assessment Committee will submit its recommendations for the consideration and approval of the Minister. If approved, successful applicants will be informed in writing and the decisions published on NSW Fair Trading's website and NSW Government Grants and Fund Finder via <https://www.nsw.gov.au/grants-and-funding>.



APPENDIX 1 – FCSP Service Area Regions

APPENDIX 2 – BUDGET CATEGORIES

The following provides examples of items which may be included under budget categories for direct services, where relevant:

- Salaries & Wages: permanent, casual and locum salaries, annual leave and leave loading
- On-costs – superannuation, workers compensation, long service leave, parental leave, redundancy provision
- Rent – On-going rental costs for premises
- Utilities and outgoings: utilities, repairs and maintenance, cleaning, waste removal, security
- Staff-related expenses: training, professional development, conferences, recruitment costs
- Office overheads: professional indemnity insurance, public liability insurance, building & contents insurance, courier, postage, software, equipment leasing/repairs and maintenance, computer support, staff/client/visitor amenities, subscriptions, library and resource materials, annual report preparation
- Communication expenses: telephone, internet, mobile phones, voice mail.



APPENDIX 3 – FCSP Budget Template

Financial Counselling Services Program

For the Period.....

SERVICE NAME:..... FILE NUMBER.....

		Annual Budget \$	Budget for 12-monthly Period \$	Actual for 12-monthly Period * \$	Variance - "Totals only" ** \$
1	Income				
	Amount carried forward from previous reporting period				
	Grant Funding				
	Interest				
	TOTAL INCOME				
2	Salary related Expenses				
	Salaries & Wages				
	On-costs				
	TOTAL Salary Related Expenses				
3	Operating Expenses				
	Rent				
	Utilities & Outgoings				
	Staff Related expenses				
	Office overheads				
	Communication				
	Financial accountability				
	Interpreters & Translations				
	Travel				
	Program Management				
	Office equipment				
	Depreciation of assets				
	Sundry				
	TOTAL Operating Expenses				
	TOTAL ALL EXPENSES (2&3)				
	Surplus / (Deficit)				

*(1) "Actual" includes all financial commitments made and expenses incurred during this period. eg. Cheques written which have not yet been presented, or bills which relate to the period, but are not due for payment till after the period's end.

** (2) Variance need only be filled in for Total Income, Total Salary Related Expense, Total Operating Expenses, and Total All Expenses (calculated automatically if using template in excel).

Members' Statements (if incorporated association) or Directors Statement (if a corporation).

WE CERTIFY THAT:

- (i) To the best of our knowledge the above financial details are correct;
- (ii) All funds have been invested in accordance with the terms and conditions of the Grant Funding Agreement;
- (iii) All funds have been expended in accordance with the term of the Grant Funding Agreement and the Program Objectives

Name and Title (please print)

Signature

Date



NSW Department of **Customer Service**

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