



Australian Government

CHCEDU007 Provide group education on consumer credit and debt

Release: 1

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Modification History

Release	Comments
Release 1	This version was released in <i>CHC Community Services Training Package release 2.0</i> and meets the requirements of the 2012 Standards for Training Packages. Minimal changes to the elements and performance criteria New evidence requirements for assessment including volume and frequency requirements

Application

This unit describes the skills and knowledge required to work in the community services and health sector with target groups and individuals to identify their financial literacy education requirements.

This unit applies to workers who will be part of a professional team and under the guidance of a supervisor.

Financial literacy education provides targeted information and resources to meet particular client needs.

Acquisition of financial literacy education competencies alone does not provide sufficient foundation to undertake complex financial literacy education or financial counselling.

Where financial issues have the potential to become complex, clients should be referred to a qualified financial counsellor.

The skills in this unit must be applied in accordance with Commonwealth and State/Territory legislation, Australian/New Zealand standards and industry codes of practice.

Elements and Performance Criteria

ELEMENT

PERFORMANCE CRITERIA

Elements define the essential outcomes

Performance criteria describe the performance needed to demonstrate achievement of the element.

1. Explain role of credit and options

1.1 Explain concepts and terminology of credit provided by a financial institution and the debt incurred by a borrower

1.2 Compare features of different types of loans or credit

ELEMENT**PERFORMANCE CRITERIA**

Elements define the essential outcomes

Performance criteria describe the performance needed to demonstrate achievement of the element.

facilities

1.3 Identify differences between unsecured and secured loans and explain implications of default on secured and unsecured loans

1.4 Explain the cost of credit

1.5 Explain uses of documentation and the importance of maintaining paperwork

2. Identify common debt issues

2.1 Discuss common types of debt with client group and identify its potential implications in relation to specific client's situation

2.2 Provide appropriate referrals to specialised services to assist clients to deal with debt issues

2.3 Identify and inform clients of ways to avoid debt as a means to assist client to minimise debt

2.4 Identify and inform clients of range of debt reduction strategies to address client situation

3. Identify complaints and hardship options to address personal financial issues

3.1 Provide general information on informal and formal complaint processes

3.2 Provide general information on hardship provisions

Foundation Skills

The Foundation Skills describe those required skills (language, literacy, numeracy and employment skills) that are essential to performance.

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency

Unit Mapping Information

No equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=5e0c25cc-3d9d-4b43-80d3-bd22cc4f1e53>

Assessment Requirements for CHCEDU007 Provide group education on consumer credit and debt

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Performance Evidence

The candidate must show evidence of the ability to complete tasks outlined in elements and performance criteria of this unit, manage tasks and manage contingencies in the context of the job role. There must be evidence that the candidate has:

- provided debt and consumer credit education to at least 3 clients or target groups.

Knowledge Evidence

The candidate must be able to demonstrate essential knowledge required to effectively complete tasks outlined in elements and performance criteria of this unit, manage tasks and manage contingencies in the context of the work role. This includes knowledge of:

- limits of role of financial literacy educator
- appropriate referral sources
- advantages and disadvantages of debtor options and consolidation
- contracts, insurance, rental agreements
- structural issues of debt
- options for complaints
- regulatory bodies, credit reference agencies and consumer advisory bodies
- referrals
- limits and boundaries
- credit concepts and options
- consumer rights and responsibilities
- superannuation
- hardship options
- cost of credit:
 - simple and compound interest

- interest charges and fees
- default fees
- overdrawn fees
- early termination fees
- establishment fees
- targeting different client groups
- structural and systemic causes of financial hardship
- relationship debt

Assessment Conditions

Skills must have been demonstrated in the workplace or in a simulated environment that reflects workplace conditions. Where simulation is used, it must reflect real working conditions by modelling industry operating conditions and contingencies, as well as, using suitable facilities, equipment and resources.

Assessors must satisfy the Standards for Registered Training Organisations (RTOs) 2015/AQTF mandatory competency requirements for assessors

Links

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