



Australian Government

FNSCRD501 Respond to personal insolvency situations

Release: 1

FNSCR501 Respond to personal insolvency situations

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to monitor personal insolvency, analyse risk impact on creditors and determine required actions.

It applies to individuals who may use a range of managerial techniques to analyse and review actions performed in their job role.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Credit management

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Monitor status of insolvency and analyse potential risk	1.1 Identify factors in client accounts that may contribute to a possible personal insolvency situation and risk factors to the organisation 1.2 Assess impact of insolvency options that may be taken by a trustee or other third party
2. Determine appropriate action	2.1 Evaluate personal insolvency actions in accordance with legislative rights and obligations of both debtor and creditor 2.2 Complete appropriate documentation in accordance with legislative requirements and organisational policy and procedures

ELEMENT	PERFORMANCE CRITERIA
	to implement appropriate action and commence legal proceedings
3. Review circumstances which led to the personal insolvency situation	3.1 Evaluate causes for insolvency and review procedures to prevent recurrence of loss, contributing factors and exposure 3.2 Implement outcome of review, as required

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1, 2.1, 2.2	Interprets and analyses complex textual information from a range of sources to identify and monitor potential for risk
Writing	1.1, 2.2	Compiles documents which accurately convey complex financial information as required
Numeracy	1.1, 2.2	Extracts and evaluates numerical information embedded in familiar texts and formats to assess risk and calculate associated costs
Navigate the world of work	2.1, 2.2, 3.1	Researches, analyses and manages information to determine insolvency risk in accordance with the creditor organisation and statutory and regulatory requirements
Get the work done	1.1, 1.2, 2.1, 2.2, 3.1, 3.2	- Applies systematic and analytical decision-making processes for complex and non-routine situations - Accepts responsibility for planning and sequencing complex tasks and workload, negotiating key aspects with others and taking into account capabilities, efficiencies and effectiveness - Uses the main features and functions of digital tools to complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status

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FNSCRD501 Respond to personal insolvency situations	FNSCRD501A Respond to personal insolvency situations	Updated to meet Standards for Training Packages. Minor edits to clarify intent of performance criteria.	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -
<https://vetnet.education.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>