



Australian Government

FNSCRD511 Respond to personal insolvency situations

Release: 1

FNSCR511 Respond to personal insolvency situations

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 4.0.

Application

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

It applies to individuals who may use a range of managerial techniques to analyse and monitor personal insolvency situations performed in their job role.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

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. Analyse potential risk of insolvency	1.1 Identify factors in client accounts that may contribute to a possible personal insolvency situation and indicate risk factors to the lending organisation 1.2 Assess impact of insolvency options that can be taken by a trustee or other third party
2. Determine action	2.1 Evaluate personal insolvency actions for client according to legislative rights and obligations of both debtor and creditor 2.2 Implement action according to legislative requirements, and organisational policy and procedures 2.3 Prepare documents required for legal proceedings, if necessary
3. Review circumstances which led to the personal insolvency	3.1 Evaluate causes of insolvency and review organisational procedures

ELEMENT	PERFORMANCE CRITERIA
situation	3.2 Implement recommendations of review

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

Skill	Description
Reading	Interprets and analyses complex textual information from a range of sources to identify and monitor potential for risk
Writing	Compiles documents which convey complex financial information as required
Numeracy	Extracts and evaluates numerical information embedded in familiar texts and formats to assess risk and calculate associated costs
Self-management	- 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

Unit Mapping Information

Supersedes and is equivalent to FNSCR501 Respond to personal insolvency situations

Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSCR511 Respond to personal insolvency situations

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- monitor at least two client accounts for possible personal insolvency situations or risks, and carry out actions in line with established processes for personal insolvency for one account.

In the course of the above work, the candidate must:

- act in accordance with legislative requirements and organisational policy
- complete documentation relating to taking insolvency action.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- legislative requirements, organisational policy and procedures relating to insolvency and insolvency management
- documents required for legal proceedings in personal insolvency situations
- organisational policy and procedures applying to personal insolvency situations
- factors that lead to personal insolvency
- applicable industry indicators of insolvency risk
- potential risks to the organisation from insolvency situations
- full range of insolvency options within legal requirements.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- office equipment, technology and consumables
- credit product information
- software systems and data
- legislation, organisational policy and procedures.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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