

The **A B C D** of Hardship Policy and Program Considerations

Your organisation has a Hardship Policy, Program and/or Team. You are one step closer to meeting the needs of the financially vulnerable clients, customers and users of your product. You may also be meeting a regulated requirement of the business you are operating (i.e. an energy retailer, telco or a bank). While having a hardship policy is important, you need to let people know how they can use and engage with it. Determine how it will help, and how you can work together to improve outcomes.

Engaging in successful hardship practice will generally lead to greater customer satisfaction, can reduce the cost of debt collection activity and lead to a better financial outcome for the most vulnerable in our community.

Executive Summary

Your organisation has developed a hardship policy, program, and/or team to assist financially vulnerable clients and fulfill regulatory obligations. To enhance accessibility, engagement, and overall client outcomes, it is important your business meets some key accessibility standards and strives for continuous improvement. We recommend that your policy, program, and communication channels be clear, accessible, and consistent with the services you actually provide.

To expand and enhance your hardship practice over time, consider engaging in various initiatives and activities with the financial counselling sector. These may include streamlining communication, seeking feedback from the sector and stakeholders, and implementing service improvements based on this feedback.

This document serves as a guide for organisations providing services to financially vulnerable individuals, offering a checklist and a roadmap to improve client outcomes progressively.

A Availability of your Hardship Policy and Program

It's important you have a page on your website dedicated to your Hardship Policy and Program that is easy to find, and could include:

- Downloadable PDF of documents, such as the policy, guidelines, and application forms.



Ideally your application will be a fillable webform, so applicants don't have an added barrier of printing and scanning paperwork, and can complete it easily from a phone or computer.

- The intent, process, and guidelines explained in simple language. Dot points, short sentences and Plain English are good ways of doing this.

Provide key information in different languages, or direct clients/consumers to where they can access interpretation services.

- Direct contact details for your hardship officer or team via email, phone and/or webform.

Ensure someone is available to answer a call or respond within a suitable timeframe.

- Communication expectations for hardship applications and enquiries:



Be explicit about decision and action time frames.

E.g. We will respond to your hardship request within 5 working days.*

Explain what happens if the application or case is complex.



E.g. If your situation is complicated, and is expected to take longer than 10 days, we will let you know. In most situations we can resolve your application within 25 working days.*

Explain what the applicant can do if they are unhappy about the decision.



Provide a link to complaints and appeals process (also known as the internal dispute resolution process).

- Publish details of your Hardship Policy and URL on the bottom of your bill/invoice.

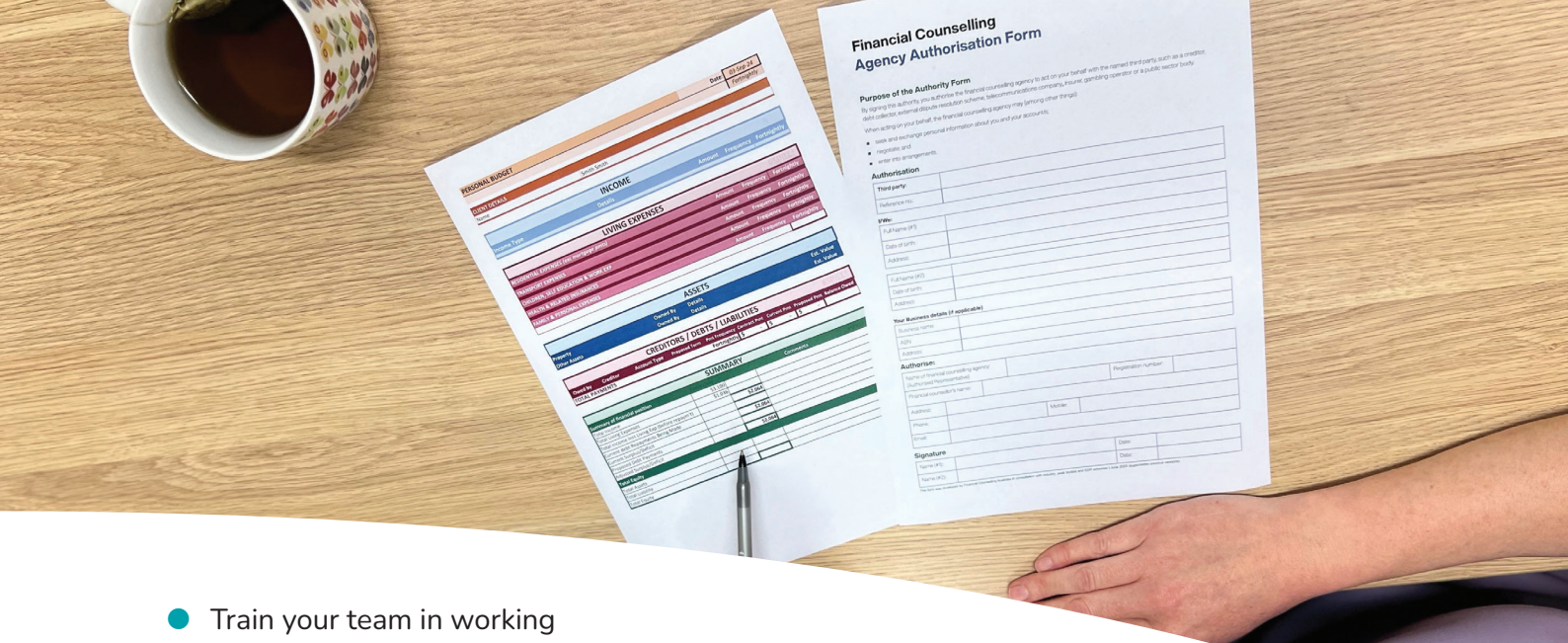
* Time frames are not prescriptive, just for illustrative purposes.

B Better practice for engagement with Financial Counsellors

Financial counsellors provide free and independent support and advice to people experiencing financial hardship. Financial counsellors are critical for reducing harm and risk that results from economic dislocation. They also link clients to mental health, family violence, problem gambling and other crucial social supports.

We appreciate that not all hardship customers are able to self-advocate (apply on their own), no matter how accessible or simple you make the process. In some instances, they will seek a financial counsellor to support them in this process. There are over 1,100 financial counsellors operating in every state and territory in Australia to support people in financial hardship, and their job is to advocate for the best financial interests of their client. You can work with the financial counselling sector in the following ways:

- Detail processes that are specifically for financial counsellors.
- Provide your hardship contact details to Financial Counselling Australia (FCA) for listing on the FCA Toolkit. The Toolkit has a hardship contact list all financial counsellors in the country have access to; likewise you can check the registration of financial counsellors contacting you. Email toolkit@financialcounsellingaustralia.org.au to add or update your details.
- Train all your customer contact staff in the hardship policy and procedures. This may enable them to make a referral to a financial counsellor and ensure that a hardship enquiry gets sent to the right team.



- Train your team in working with people who are experiencing financial difficulty.
- Engage with your state/territory financial counselling peak body/ies and connect with their workforce for training or a listening seminar. Perhaps you've changed your policy or procedure, created a new program that benefits people experiencing financial difficulty, or you'd like to talk to our workforce to understand how you can improve practices?

Contact your local state or territory association today to talk about how we can help facilitate this for you:

[South Australian & Northern Territory Financial Counsellors Association \(SAFCA\)](#)

[Financial Counsellors Association Western Australia \(FCAWA\)](#)

[Financial Counsellors Association Tasmania \(FCAT\)](#)

[Financial Counselling Victoria \(FCVic\)](#)

[Financial Counsellors' Association of NSW Inc \(FCAN\)](#)

[Financial Counsellors Association of Queensland \(FCAQ\)](#)

Consolidate paperwork

The financial counselling sector has accepted and widely used forms and templates for their day-to-day work – such as speaking on their client's behalf with creditors or assessing income and expenditure to create a statement of financial position. You can reduce paperwork, and improve efficiency for both your organisation and financial counsellors by:

- **Accepting the 'Financial Counselling Agency Authorisation Form' as proof that we can talk on our client's behalf, and accept signatures via DocuSign, or;**
 - Provide a format that you will accept and make accessible and downloadable on your website (sitting alongside the information in section A of this document).
- **Accept the financial counsellor's Statement of Financial Position (SOFP) as a detailed account of the applicant's financial position, or;**
 - Provide a format that you will accept and make accessible and downloadable on your website (sitting alongside the information in section A of this document).

D Deliberately seek input, feedback, and opportunities to improve

Attend

Attend sector events

Most financial counselling peak bodies run annual conferences, among other important sector events. These are fantastic opportunities to meet financial counsellors, and hear from expert speakers about what is and isn't working in hardship practices.

Attend and contribute to continuing professional development (CPD) opportunities

Work with your state or territory financial counselling peak body (listed in B) to either attend an existing CPD session or develop a CPD session for practicing financial counsellors on your area of expertise. This is an opportunity to get involved in existing conversations and learning opportunities.

Dialogue

Support an ongoing industry-wide sector guidance reference group

Create or collaborate on existing formal, ongoing and remunerated opportunities for dialogue with financial counsellors with a firm commitment to action. For example, a regular quarterly industry-wide sector guidance reference group with participation from up to 10 financial counsellors representing different states and territories and different specialisations, each appropriately remunerated for their time and expert contribution, will create continuity of dialogue and accountability for commitments.

Support a bespoke one-day roundtable

Funding a state or territory peak body to hold a one-day roundtable event dedicated to hardship policies in the sector, or your business, with remuneration for financial counsellors to attend, offers opportunities for focused and constructive dialogue. This could be a joint industry initiative.

Review

Fund an external review of your hardship policy and program

Translating external feedback into actionable internal system and process change can be difficult. Engaging an expert consultant to coordinate an effective system and process review of hardship policies, informed by facilitated sessions with financial counsellors, participants with lived experience, with access to internal systems, can provide insights and action plans that can't be achieved by a provider alone.

Act and report back

Once an action plan has been established, decide when actions will happen. Establish a communications plan to report on progress, ensuring transparency with the sector, and creating opportunities for expert financial counsellors to provide feedback during evaluation.

This is a joint project by:

