FINANCIAL COUNSELLORS' ASSOCIATION
OF WESTERN AUSTRALIA

# Guidelines for
# Financial Counselling Supervision
# June 2025

To support the

*National Professional Supervision Policy - FCA*

# Table of Contents

# Guidelines for Supervision

This document sits alongside the National policy for the professional supervision of financial counsellors in Australia. (NOV 2020)

Please read in conjunction to the national policy for further explanations

## Section 1

### Introduction and overview

Financial Counsellors Association of WA (FCAWA) have developed these guidelines for ease of understanding and to assist in the compliance measures for the supervision policy starting in July 2021. This new policy supersedes the previous policies.

**Supervision requirements under the FCAWA Supervision Policy starts 1 July 2021.**

Professional supervision is required for all Associate and Accredited members of FCAWA. Financial Counsellors in WA must be members of FCAWA and must meet the eligibility for membership.

### Understanding the role of being a supervisor.

A Supervisor acts as a Professional and supports the Financial Counsellor to develop skills and knowledge and provides an opportunity to reflect on and discuss case work issues. It may also involve discussing personal issues that may be impacting on the Financial Counsellor's work. It provides a way for the Financial Counsellor to acquire competence needed to fulfil their role and their professional responsibilities and is an important mechanism for maintaining a high-quality service to clients.

**The role as a supervisor is to protect the profession of Financial Counselling and to ensure the highest possible standard of practice delivery. Your role is to support the Financial Counsellor, Client and Agency and ensure that they are all protected from ignorance, mal-practice, incompetence, and negligence.**

**Professional supervision is defined in the policy as:**

> ***Professional supervision for financial counsellors is a formal relationship between supervisor and supervisee designed to promote wellbeing, facilitate reflective practice, explore ethical issues, develop casework skills and foster best practice.***

**Australian Securities and Investment Commission.**

In relation to regulatory factors – Supervision is one of the key compliance areas, along with Continuing Professional Development (CPD) points, regarding the Financial Counselling industry Australia wide. In order for agencies who employ financial counsellors to obtain and keep the ASIC relief from licensing, individual Financial Counsellors must be members of, or be eligible to be members of, a recognised National or State Financial Counselling Association, in Western Australia this related to FCAWA.

The Australian Government, through the Australian Securities and Investment Commission (ASIC) within the Financial Services legislation has provided financial counselling with an exemption from licensing**:**

**Exemption from an Australian Financial Services Licence**

In 2003, the Australian Securities and Investment Commission made a Class Order [CO3/1063] that provided that financial counselling agencies are exempt from the requirement to hold an Australian financial services licence. This class order was updated to be Legislative Instrument 2017/792 in 2017. This exemption means that financial counsellors can give financial product advice as part of a financial counselling service without a licence, as long as the financial counselling agency:

- Does not charge any fees or receive any remuneration arising from the financial counselling service.
- Does not run, and is not associated with, a financial service business.
- Ensures its staff do not provide any financial product advice outside the terms of the exemption.
- Ensures its financial counsellors are a member of, or eligible for membership of, a financial counselling association; and
- Ensures its financial counsellors have appropriate training and adequate skills and knowledge.

The Financial Sector Reform (Hayne Royal Commission Response) (Claimant Intermediaries) Regulations 2021 (the Regulations) would finalise the implementation of recommendation 4.8 of the Financial Services Royal Commission. This instrument is made under the ***Corporations Act 2021***.

Financial counsellors under (9) of schedule 1 are noted in the regulations.

It' is important to note that these exemptions are subject to strict conditions.

Of note: From April 2021-wording has changed from the previous legislation (see page 3)

Reform regulations

**"Financial counsellors**

***The circumstances are that the person is a member of one of the following bodies acting in that capacity:***

*(9) The circumstances are that person* ***is a*** *member of their state association*

*Under (e) Financial Counsellors Association of Western Australia Inc "*

The context being that the word eligible no longer applies and therefore as a financial counsellor in WA, FC's must be a member of FCAWA and meet the requirements for membership in order for the agency to hold the ASIC exemption for the Corporations legislation.

**Exemption from an Australian credit licence**

The *National Consumer Credit Protection Regulations 2010* provide that financial counselling agencies are exempt from the requirement to hold a credit licence. This means that financial counsellors can provide advice about credit without a licence, as long as the agency:

- Does not charge any fees or receive any remuneration arising from the financial counselling service.
- Ensures that the agency and its staff do not provide any other credit activity outside the terms of the exemption.
- Ensures its financial counsellors are a member of, or eligible for membership of, a financial counselling association; and
- Ensures its financial counsellors have appropriate training and adequate skills and knowledge.

The ASIC Corporations (Amendment) Instrument was updated to 2020/635. Insertion to include small business which means a business with less than 100 employees.

- *A financial counselling service* means a counselling and advocacy service provided predominantly for the purpose of assisting individuals or small businesses* (clients) who are in financial difficulty to resolve their problems." *Small business means a business with less than 100 employees".).

**Restriction on the use of the terms "financial counsellor" and "financial counselling"**

The *National Consumer Credit Protection Act 2009* restricts the use of the terms, "financial counsellor" and "financial counselling" and similar terms of similar meaning. The restriction means that only financial counselling agencies who meet the exemption from an Australian Credit Licence can use the restricted terms.

Subsection 5(2) sets out when the exemption is available.

The relevant financial counselling agency must take reasonable steps to ensure that persons providing financial services on their behalf:

- **Are eligible to be a member of a financial counselling association listed in the Instrument**; and
- Have undertaken appropriate training to ensure they have adequate skills and knowledge to satisfactorily provide the financial services and the broader financial counselling services.

Additionally, the financial counselling agency and its representatives must not otherwise provide financial services (other than those covered by the exemption)

***NB: Agencies receive the relief and do not require a license, and it is therefore The agencies responsibility to ensure membership requirements of their financial counsellors are met.***

**Remember In order for agencies to obtain this relief, individual financial counsellors must also be members of a State Financial Counselling Association.**

**FCAWA are required to inform ASIC if there is non-compliance by agencies of a breach of the ASIC acts for licensing exemption. FCAWA will also inform the funding body if appropriate.**

## Section 2

### Mandatory, best practice and acceptable standards

This section sets out the standards for supervision.

Three standards are mandatory with no options for a different approach. These are:

- The amount of supervision to be provided by a financial counsellor.
- The number of hours of supervision
- Who can be a supervisor?

The other standards in the policy allow for some flexibility setting out a best practice approach, and an acceptable approach. This recognises that some agencies and financial counsellors will not be able to meet the best practice approach. This could be for various reasons, including remoteness or the agency is severely under-resourced.

### Mandatory—Amount of Supervision by a Financial Counsellor

At least 50% of the minimum hours of professional supervision must be provided by a financial counsellor, approved by a state association as a qualified supervisor.

This recognises that casework support is an integral part of professional supervision. It follows that a sizeable portion of professional supervision must be provided by an appropriately qualified financial counsellor.

### Mandatory—Number of Hours of Supervision

As set out in the National Standards for Membership and Accreditation, the number of hours of supervision required are, as a minimum, for financial counsellors:

- employed 0.5 FTE or more – 10 hours per membership year
- employed less than 0.5 FTE – 6 hours per membership year

If a financial counsellor holds associate membership and are therefore new to the sector, it is strongly encouraged that they undertake more regular supervision sessions.

**Mandatory—Who can be a supervisor.**

Mandatory— If a financial counsellor only has one supervisor, then that person must themselves be a financial counsellor who:

■ is a full member of a financial counselling association with a minimum of three years full time experience;( see below further information and clarification on the 3 years) and

■ has undertaken an approved supervision course (see section 4.6). If a financial counsellor has more than one supervisor, then the other supervisor could be a professional that a discipline-specific skill set as outlined in Appendix 1 of the national supervision policy.

If a financial counsellor only has one supervisor, then that person must themselves be a financial counsellor who:

**Is a full member of a financial counselling association with a minimum of three years full time experience; (3 years will be taken from the date of completing the Diploma in Financial Counselling).**

**FCAWA will provide a supervision course yearly. However, should supervisors wish to attend a supervisor's course of their own choice this will be at their cost.**

**Supervisors must attend a supervision refresher course every 3 years.**

If a financial counsellor wishes to have a supervisor from outside the sector, they should consider their learning needs that are directed at a particular skill set.

Note: State associations must approve the engagement of additional supervisors.

**Additional supervisors must be approved by FCAWA. They must not be a line manager in any organisation and additional supervisors can only account for 50% of the professional supervision needs.**

**If a financial counsellor chooses a supervisor outside of the sector this must be pre-approved by FCAWA and related to their role.**

**Senior solicitors will only be approved where a financial counsellor works in a legal agency, and who meets the requirements in accordance with the supervision policy.**

**Clinical supervision will be accepted if the rules of the national supervision policy are met.**

Please note that FCAWA will develop a supervisor list which will then be made available to all members of FCAWA.

**Cost of Supervision**

Supervision is part and parcel of employing a financial counsellor. Best practice is for professional supervision to take place during work hours. If a cost is involved, agencies accept this as part of the overall costs of employment.

Although professional supervision is often delivered by financial counselling peers without cost, as a form of commitment back to the sector, it is encouraged that agencies factor in a cost for each financial counsellor's supervision in all future grant/tendering procurement.

If there is a cost, that cost needs to be reasonable.

**Reasonable deemed by FCAWA for supervision would be placed at no more than $160.00 per hour.**

## Section 3

**Best or acceptable practise - choice of supervisor**

- Best practise: supervisee driven, and the supervisee chooses their supervisor.
- Acceptable: supervisee still to choose the supervisor after consultation with agency
- Not acceptable: agency to impose a supervisor.

**FCAWA will support financial counsellors with information on FCAWA approved supervisors' availability**

**Reciprocal Supervision**

Reciprocal supervision, where the Supervisor and Supervisee exchange roles to supervise one another, is best avoided where possible. However, where this does occur it must be made clear at every session who is recorded as the Supervisor of that session and documented appropriately.

**Best or acceptable practise: how supervision is delivered**

- Best practise: 100% one on one financial counselling supervision

- Acceptable practise: 50% one on one financial counselling supervision and 50% other (clinical /group /other accepted supervision)

- Unacceptable practise: no- one on one financial counselling supervision /online chat or email for supervision; more than 50% of group supervision or other accepted supervision.

**Group supervision Requirements**

- No more than 8 participants can be in a group supervision.

**The supervisor can be extra to this number.**

- The supervisor must complete the group supervision form and sign off each session.
- Only 50% of your supervision hours can be made up from group supervision.
- On the group supervision record - the Supervisees are the attendees, and the attendance is for their supervision record.
- For the Supervisor, you can claim only 1 CPD point per person supervised to a maximum of 4 points per year.

**To meet the requirements of the 3.8 of the national supervision policy the supervisor in any type of supervision cannot be a line manager or another manager leader within the same team structure.**

**The requirement must also be a choice of the supervisee to choose the group supervision of their choice.**

**Best or acceptable practise: External or Internal Supervision**

Best practise: Professional financial counselling supervisor external to the agency

Acceptable practise: Professional supervisor employed by the agency but outside of any line management responsibility.

Not acceptable: Cannot be the financial counsellors line manager or any other manager within the same team structure.

**Change in Circumstances**

If you are no longer a supervisor, or you cease group supervision, you change organisations, or you are experiencing any difficulties, please let FCAWA so we can support you if necessary.

### Supervision Compliance

**Record Keeping is a must, this is required for compliance and for your own records.**

**1.** A Supervision Agreement which outlines the terms of supervision is to be executed by both the Supervisor and Supervisee prior to conducting any supervision

**2.** A record of supervision sessions, with the time and length of supervision, needs to be maintained, signed and kept by the Supervisee. - My supervision records

**3.** The Supervisor and Supervisee should separately record any issues that may need to be followed-up in future supervision sessions.

**4.** Ensure you have signed and kept for your record –

1) Renewal of membership- **On renewal a supervisor needs to send to FCAWA**:

    - A copy of 'My Supervision Record' (for personal supervision) - signed for each session
    - Any copies of the Group Supervision Attendance record
    - Each year the Supervisor needs to confirm with the Supervisee their FCAWA membership.
    - Ensure as a supervisor you undertake Supervisor training at least once every 3 years.

2) **For a Supervisee on renewal of membership**- 'My Supervision Record' must be sent, signed, and dated.

## Section 4

### For the Supervisor

Why is supervision necessary? Apart from a regulatory necessity, it is a benefit to the Supervisor, Supervisee and the Financial Counselling Agency.

### The overall goals of supervision:

- Providing a regular and safe environment for the Supervisee to reflect on his/her work
- Helping to ensure that the client receives the best possible service
- Caring for the emotional well-being of the Supervisee
- Encouraging the Supervisee in his/her professional development
- Assisting the Supervisee in planning and utilising their resources
- Being aware of and regularly monitoring ethical issues relating to Financial Counselling
- Ensuring that the Supervisor and Supervisee are clear about their roles, responsibilities and boundaries

## Some Supervision guidance:

- It is free from interruptions - Supervision needs to be conducted in an environment that is safe, empathic, genuine, non-competitive and professional.
- Have a specific dedicated time - Be planned, take place in an appropriate setting without interruptions
- Planned supervision - An agenda where possible, in most cases the supervisee is responsible for bringing forward cases and issues for discussion in the context of an agreed agenda for each session.
- Confidentiality and privacy ensured - Have a structure which allows the supervisee to voice concerns in a supportive environment and identify any areas of concern for the supervisor with a course of action to remedy those concerns
- Supervisor / supervisee contract - Have a written agreement.
- Record properly with outcomes relayed to the supervisee promptly.
- The supervisor needs to be aware of, and listening for, clues to follow up on issues not directly related to the cases and issues being discussed.
- Select random cases from time to time for discussion
- Effective supervision will include reflection on supervisee’s practise.
- The supervision process needs to be supported by agency management as an essential part of Financial Counselling.
- Supervision provides an opportunity for the supervisee to work through feelings generated while helping others.
- The supervisor needs to be sensitive to all aspects of the supervisee that may impact upon supervisee’s professional conduct.
- Supervision is not therapy. Where counselling or other help is perceived to be necessary, the supervisor may recommend that the supervisee seeks appropriate help.
- Supervision includes helping the supervisee ensure that he/she meets the membership requirements of the professional body (FCAWA).

## Limits to Confidentiality

Where the supervisor becomes aware of a matter that may cause harm to the supervisee and/or his/her client, this matter needs first to be discussed fully and openly with the supervisee. If the matter cannot be satisfactorily resolved in this way, then further action needs to be taken.
Where the issue is with the supervisee’s management, then the supervisor needs to encourage and support (but not represent or advocate on the supervisees behalf) the supervisee in negotiations with his /her line manager.

If in an extreme case the supervisor became aware that the financial counsellor, for example, intended to harm a client/ self, the supervisor has a duty of care to take some action to minimise harm.

**Acknowledging ambivalence**

Sometimes, despite a commitment to supervision, there can be unforeseen blocks. They can be triggered by strong emotional responses. This could be linked to

- Intolerance with certain situations
- Frustration due to lack of time or resources
- Supervisees may also feel uncomfortable, or feel incompetent, out of control etc.
- Relationship may not be working out with supervisee / supervisor.

**Overall effective Supervision covers**:

- Workload management
- Monitoring performance and quality of service provided
- Reflection and guidance on focus of work and methods used
- Commitment to positive outcomes and effectively working with others
- Maintaining motivation and job satisfaction
- Critical reflection, acceptance of feedback, personal support
- CPD
- Ensuring compliance for FCAWA membership

## Q&A

**1.** Does FCAWA check with current supervisors if they can supervise other financial counsellors outside of their agency? We have encountered where a supervisor is not allowed by their agency.

**Answer**: FCAWA encourages all supervisors to be available inside and outside their agency to supervise FC's. FCAWA currently supports this with free training. FCAWA provides a current supervisor list, and we encourage all supervisors to supervise. We are often only looking at 1 hour per month or less. Unfortunately, we have no jurisdiction over agencies who choose not to let their supervisors, supervise outside of the agency.

**2.** If professional external supervision is required by a financial counsellor and there is a cost involved, does the agency need to agree to it first as the financial counsellor is still bound by agency funding unless they are paying for it themselves.

**Answer**: FCAWA believes it would be acceptable for the agency to be able to approve an outside supervisor where there is a charge for the service. Please also note that this should also be at a reasonable cost. This is covered under acceptable practice for choice of supervisor.

**3.** Clarifications on any case discussion a financial counsellor with their supervisor outside of "agreed supervision meeting". Can these be used towards supervision hours?

**Answer**: We would surmise if it outside of the supervision session then it doesn't count within the time for supervision. FCAWA understand that some clarification after the event may occur whether its clarification or a de briefing incident. Obviously, this will be up to the supervisor, but we would say no initially as it is not in the supervision space.

Regarding de briefing - It is critical to understand this difference since we often use the term 'supervision' and 'debriefing' synonymously. They are essentially different things and perform different functions.

Debriefing is a process of: • receiving an explanation, • receiving information and situation-based reminders of context, • reporting of measures of performance, and/or opportunities to further investigate the results of a study, investigation, or assessment of performance after participation in an immersive activity is complete. Debriefing is usually required after an event in the workplace that has caused intense stress and impacts on the psychological well-being of the person exposed to the event.

**4.** Although agencies cannot appoint the supervisor for a financial counsellor, can they mandate the financial counsellor to attend supervision to comply with membership requirements (especially where agencies are paying for membership)

**Answer**: Absolutely. The agency holds the ASIC exemption and therefore must ensure that the financial counsellors meet the compliance requirements for membership. Supervision and CPD are the main components.

**5.** Is a supervisor bound to inform FCAWA if supervisee discloses worrying practices in an agency?

**Answer**: Confidentiality is essential and should be supported by the organisational policy on professional supervision. Confidentiality relates to the supervisee, the supervisor and any clients whose cases may be discussed through such a process. When a supervisee presents a client situation, there should be consideration of using de-identified information for the discussion.

Page 10 information on confidentiality.

**6.** Why has the rules been changed on group supervision to limit numbers.

**Answer**: During discussion of the national policy questions were raised by all states as to whether current group supervisions were meeting the definitions of professional supervision. It was agreed by all states that often peer to peer discussions as in support forums which although included casework trends, and skill development were not in many cases supervision. It was agreed that group supervision was popular but for all persons attending group supervision to benefit from a more structured supervision session then numbers would have to be limited to ensure all participating members have the opportunity for adequate supervision to be achieved.

Professional supervision is defined in this policy as:

> *Professional supervision for financial counsellors is a formal relationship between supervisor and supervisee designed to promote wellbeing, facilitate reflective practice, explore ethical issues, develop casework skills, and foster best practice.*

# Section 5
## Appendices Attached:

- Example Supervision agreement
- Group supervision attendance record
- My supervision records

**Example Supervision Agreement**

This form needs to be completed at the beginning of the supervision process. It identifies what the financial counsellor and supervisor both want and will contribute to the supervision process. It provides a chance to discuss difficulties at any stage.

Content and focus of the supervision will be based on:

- Reviewing your work via discussion, reports and observations
- Agreeing and monitoring plans
- Development of your skills knowledge and value base by reflecting on your performance
- Identifying your development needs, interests, goals and action plans
- Providing space for you to reflect more generally on your experience of and feeling about your work

Making supervision work: what each of you agree to contribute.

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**The Supervisee- Financial Counsellor**

What I would like from you as my supervisor:

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What I will contribute as the Supervisee:

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**The FCAWA Supervisor**

What I would like from you as the supervisee:

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What I will contribute to make this work:

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This agreement to be reviewed on: ……………………………………………………………………

Name of Supervisor……………………………………………………………………….

Signature of supervisor…………………………………………………………………

Date………………………………………………………………………………………

Name of Supervisee……………………………………………………………………………..

Signature ……………………………………………………………………………………….

Date ………………………………………………………………………………………

# Group Supervision Attendance Record

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|---|---|---|---|---|---|
| **Date** | | **Duration** | | **Supervisor** | |
| **PLEASE EMAIL THIS FORM TO sectorsupport@financialcounsellors.org** | | | | **Supervisor Signature** | |
| ATTENDEES | | | | | |
| **Name** | | **Agency** | | **Signature** | |
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## My Supervision- Name:

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TOTAL ____________

**Type of Supervision: Individual (I), Telephone (T), Group (G), Clinical (C), Casework Conferences (CC)**