

Factsheet No. 28

Financial Counselling



This factsheet looks at financial counselling and other services for people in financial distress in New South Wales, Australia, and covers:

- What financial counselling is and how a financial counsellor can help you;
- Where to find financial counselling services and how to access them; and,
- Other organisations that can help you with your financial troubles.

What is financial counselling?

Anyone can get into trouble with money, whether it be a mortgage, bank loans, credit cards or just juggling all your bills. Often, the circumstances that lead to financial difficulties are beyond your control. For example, you could lose your job, you or someone in your family could get sick or injured, or you could have a relationship breakdown.

Financial counselling is a community-based service that can assist you if you get into financial trouble, whatever the reason. Financial counsellors offer free, independent, confidential and non-judgemental advice. A financial counsellor might be able to help you if:

- you are having trouble paying your debts or meeting repayment deadlines;
- you are having trouble with a debt collector or have been threatened;
- you are being taken to court because of your debts;
- you are worried you might have your car or house repossessed;
- you are worried you might be evicted;
- you are worried you might have your electricity, water or phone cut off;
- you have been in a car accident and you don't have insurance;
- you are having trouble meeting medical costs;

- you are worried that you won't be able to pay a fine; or,
- you are having trouble buying food or living on a low income.

How can a financial counsellor help you?

Financial counsellors can provide information, support and advocacy to help you get out of financial trouble. A financial counsellor will listen carefully to your story, analyse and assess your financial situation, and help you work out what to do. They will explain your options and their consequences, including how debt recovery and bankruptcy works and what other alternatives are available. A financial counsellor can:

- help you organise your finances and plan a budget;
- suggest ways that you can improve your financial situation;
- negotiate with people who you owe money to make sure they are treating you fairly and that you get the best deal;
- help you create payment plans;
- refer you to other services, such as the gambling helpline, family support, and legal assistance;
- advocate on your behalf to government and non-government organisations;
- work out if you are eligible for any government assistance; and,
- help you apply for a hardship variation.

Financial counsellors will not lend you money or pay your debts.

Financial counsellors are free. There are other services available that might charge fees and can be very expensive. These services are often advertised on TV or the radio, and can make big claims about solving all your financial problems. If you are asked

to pay, or to sign something that includes paying fees, it is a good idea to talk to a free financial counsellor first.

Accessing Financial Counselling services

If you think you might be getting into financial trouble, you should try and get help as early as possible so your financial problems don't get out of control. The easiest way to speak to a free financial counsellor is through the **National Debt Helpline on 1800 007 007**.

Some financial counselling services near Redfern include:

St Vincent De Paul's Redfern
317 Cleveland St, Redfern NSW 2016
Phone: 02 9690 5600
Open Thursdays 9:00-1:00

The Settlement City Centre
17 Edward St, Chippendale NSW 2016
Phone: 02 9698 3087 – referral only

The Salvation Army – Moneycare Surry Hills
339 Crown St, Surry Hills NSW 2010
Phone: 02 9380 2882
Open Mon-Tues 9:00-5:00
Make an appointment by calling the number above.

You can find a full list of financial counselling service providers on the MoneySmart website: <https://www.moneysmart.gov.au>. It is a good idea to book an appointment in advance.

Struggling with debt can be stressful. If you need emotional support, you can call Lifeline's 24hr crisis support service on 13 11 14.

Other organisations that can help you with your debt

There are some other organisations that might be able to help you if you get into financial trouble:

1. Financial Rights Legal Centre

The Financial Rights Legal Centre is a community legal centre that assists people in financial distress, particularly in relation to consumer credit, banking, debt recovery and insurance. The Centre has

financial counsellors and lawyers that can help you. Their online self-help centre also provide a range of useful resources.

National Debt Helpline: 1800 007 007

Insurance Law Service: 1300 663 464

Website: <http://financialrights.org.au/>

2. Community legal centres

Your local community legal centre may be able to assist you with your debt and money issues, and either provide or can direct you to a financial counselling service. See the Community Legal Centres NSW directory to find your local centre: www.clcnsw.org.au

3. Charities and emergency relief

Emergency Relief provides immediate financial and/or material support to people in financial crisis, delivered by community organisations to help people address immediate basic needs in times of financial crisis.

Access to Emergency Relief is free, however, individual service providers may have certain criteria that need to be met in order to access their particular ER service.

To access an Emergency Relief service, you can:

- Find an Emergency Relief service provider near you through the Department of Social Security (DSS) Service Directory at: <http://serviceproviders.dss.gov.au/> (Select 'Financial Crisis and Material Aid – Emergency Relief' under 'Service Type'. Services are searchable by State/Territory and Postcode).
- Check the directory on The Salvation Army website: <http://salvos.org.au/need-help/financial-assistance/>. You can also call them on 1300 371 288.
- Check the directory on the St Vincent de Paul Society website: <https://www.vinnies.org.au/>. You can also call them on 02 9568 0262.
- Ask at your local church or community organisation.

If you have a Centrelink health care or pension

card (or qualify for one), you might also be eligible for a No Interest Loan Scheme loan to pay for essential household good or medical expenses. To find out more, including the eligibility requirements, see the Good Shepherd Microfinance website:

<http://goodshepherdmicrofinance.org.au/>

4. Social Worker Support

A social worker may be able to help you with your financial issues. To contact a Centrelink social worker, call 132 850 and ask to speak to a social worker. You can also visit your local Centrelink service centre and ask to be referred to a social worker.

5. Fair Trading NSW

Fair Trading NSW is a government organisation that aims to safeguard the rights of consumers. The Fair Trading NSW website provides information that might assist you in dealing with your money issues. It covers things like renting, using credit, consumer guarantees and scams. It also allows you to lodge a complaint if you are unable to resolve a problem with a business or trader. See <http://www.fairtrading.nsw.gov.au/>

More information

For more information regarding your financial issues, see also the following factsheets:

- Financial Hardship and
- Negotiating with creditors
- Harassment by debt collectors
- Debt recovery process
- I have a judgment debt against me but cant pay

Produced by Redfern Legal Centre.

This factsheet is a guide to the law in New South Wales, Australia. It is not a substitute for legal advice. If you have a legal problem seek legal advice from your local community legal centre or legal aid office.

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