

## Budget counselling

Budget counselling is a form of budget assistance which entails that the **client receives all the income and makes all payments themselves**. In doing this, clients are **assisted by a social worker**. The social worker helps them preparing a budget plan, gives advice and offers personal support.

The **budget plan**, drawn up in cooperation with the social worker, supports people in planning their expenses.

*The purpose of budget counselling is to teach clients how to self-manage their incomes and expenses.*



As a result, budget counselling is suitable for those who find it difficult to manage their budget independently and for those who are again in control of their own finances after a period of budget management.

## Budget Management

Another form of financial assistance is budget management. This has the **same purpose** as budget counselling, which is to teach people how to manage their incomes and expenses. The difference is that budget management involves losing some autonomy.

*As agreed with the client, the social worker will temporarily manage the client's income and will pay all fixed costs on their behalf.*

Budget management allows people with payment difficulties to ensure that their bills are paid correctly and on time.

The client receives a **living allowance** that should allow them and their families to cover all expenses necessary to live a life in dignity. The level of this living allowance is determined in mutual agreement. This arrangement **prevents reckless expenditures**.

Since the social worker receives their income, clients **lose a part of their autonomy**.

This makes budget management particularly suitable for those who have difficulty managing their income, who have no overview of the bills they have to pay, who have difficulty understanding bills, who spend too much money or who do not have their administration in order.

Public Centres for Social Welfare (PCSW, in Dutch: OCMW) and Centres for Social Work (in Dutch: CAW) both offer budget management and budget counselling. Both forms of budget assistance can be combined with a form of debt mediation.



This fact sheet was written in collaboration with **SAM vzw**.



More information can be found at [www.eerstehulpbijschulden.be](http://www.eerstehulpbijschulden.be) (in Dutch)