

## Education requirements.

18<sup>th</sup> September 2009

### **Adviser competency and compliance:**

Irrespective of what kind of financial advice we offer our clients, be it on Category 1 or Category 2 products, we will all need to meet the standards of competency required for authorised financial advisers (AFA's) under the Financial Advisers Act 2008 before the end of 2010.

Recently the Financial Services Code Committee endorsed the National Certificate in Financial Services- Level 5 as a baseline standard for assessment of competence for financial advisers, but has yet to decide which competency standards at level 5 will be required for authorisation.

ETITO is the national standards setting body for the financial services industry and as such have set out a [qualification summary](#) for the Level 5. However, they have urged caution before we all rush off to obtain this qualification until such time as the standards have been promulgated.

To add further confusion and some consternation to the issue, it appears that at present the only training provider registered to facilitate this level 5 course for our industry is [Adviserlink](#). Although there are a number of other organisations and tertiary institutions indicating their intention to do so in the future.

Each member of Liberty will need to complete a [Compliance & Qualification Application](#) to be assessed based on their industry experience and any relevant qualifications obtained within the past 10 years. This information will be used to produce a Gap Analysis Report that will indicate which additional unit standards the adviser needs to obtain before obtaining the level 5 qualification.

If you wish to challenge the need to complete those unit standards then an expensive Challenge Process can be followed. At present the cost for each challenge assessment is \$275.00.

As you can see from the information from Adviserlink, nothing about this process is going to be cheap. So in order to ensure that Liberty members can meet the required standards at a reasonable cost, the Liberty Board has been in discussion with Adviserlink to see if it's possible to run a block course for our members.

Their initial response has been positive but the details and costing cannot be finalised until the Code Committee reports back.

Now this is going to be a major concern as we work through the Governments compliance and registration requirements. If you have any additional information about any of the issues raised, please share that information with the rest of our members.