

#68

COMPLETE

Collector: Web Link 3 (Web Link)
Started: Thursday, November 01, 2018 2:40:12 PM
Last Modified: Friday, November 09, 2018 9:14:36 AM
Time Spent: Over a day

Page 3

Q1 Overall, do you agree or disagree with [standard 1] and proposed commentary? **Respondent skipped this question**

Q2 Please provide any comments on [standard 1] and the proposed commentary. **Respondent skipped this question**

Page 4

Q3 Overall, do you agree or disagree with [standard 2] and proposed commentary? **Respondent skipped this question**

Q4 Please provide any comments on [standard 2] and the proposed commentary. **Respondent skipped this question**

Page 5

Q5 Overall, do you agree or disagree with [standard 3] and proposed commentary? **Respondent skipped this question**

Q6 Please provide any comments on [standard 3] and the proposed commentary. **Respondent skipped this question**

Page 6

Q7 Overall, do you agree or disagree with [standard 4] and proposed commentary? **Respondent skipped this question**

Q8 Please provide any comments on [standard 4] and the proposed commentary. **Respondent skipped this question**

Page 7

Q9 Overall, do you agree or disagree with [standard 5] and proposed commentary? **Respondent skipped this question**

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Q10 Please provide any comments on [standard 5] and the proposed commentary. **Respondent skipped this question**

Page 8

Q11 Overall, do you agree or disagree with [standard 6] and proposed commentary? **Respondent skipped this question**

Q12 Please provide any comments on [standard 6] and the proposed commentary. **Respondent skipped this question**

Page 9

Q13 Overall, do you agree or disagree with [standard 7] and proposed commentary? **Respondent skipped this question**

Q14 Please provide any comments on [standard 7] and the proposed commentary. **Respondent skipped this question**

Page 10

Q15 Overall, do you agree or disagree with [standard 8] and proposed commentary? **Respondent skipped this question**

Q16 Please provide any comments on [standard 8] and the proposed commentary. **Respondent skipped this question**

Page 12

Q17 Overall, do you agree or disagree with [standard 9] and proposed commentary? **Neither agree nor disagree**

Q18 Please provide any comments on [standard 9] and the proposed commentary.

1. The New Zealand Certificate in Financial Services (Level 5)

We agree that the general qualification outcomes of the New Zealand Certificate in Financial Services (Level 5) should be the minimum standard of general competence, knowledge and skill.

However, we assume that you will refer to version 2 of the New Zealand Certificate in Financial Services (Level 5) when the Code is published. Version 2 does not include a financial advice strand. The legislative framework is now included in the core (outcome 4), while the advice process has been absorbed into each strand. Therefore, the last sentence of the first paragraph of standard 9 should read:

‘The general qualification outcomes are the core qualification outcomes (graduate outcomes 1-4).’

2. Alternative ways of demonstrating competence, knowledge and skill

Code Working Group - Online Submission Form

We agree that the old National Certificate in Financial Services (Financial Advice) (Level 5) and the current version of the New Zealand Certificate in Financial Services (Level 5) should be recognised as alternatives.

However, we note that the current version of the New Zealand Certificate in Financial Services (Level 5) allows learners to complete the qualification with the core outcomes and any one strand. So some holders of the certificate may not have completed the financial advice strand. Specifically, they will not have attained unit standard 26360 (the regulatory framework for AFAs). We assume you are satisfied that this is addressed through the requirement that advisers have an 'up-to-date understanding of the regulatory framework for financial advice in New Zealand'

We disagree with the provision that 'the code does not limit ways that a person may demonstrate their general competence, knowledge and skill'.

Our concerns are:

- Consistency: Who will monitor the evaluators to ensure they are correctly mapping to graduate outcomes and that there is consistency across the industry?
- Resourcing: Who will evaluate whether a person can demonstrate the standard and will they have the appropriate academic expertise? Where will this resource come from?
- Transparency: There is no transparency for consumers regarding the adviser's level of competence, knowledge and skill.
- Portability: It is unlikely individual advisers will stay with one organisation for their entire career. They need a portable, industry-recognised qualification. Portability also benefits entities during recruitment, as the candidate's level of training is immediately evident.

Therefore we recommend that any individual, including a nominated representative, who gives financial advice to retail clients should attain a nationally recognised qualification - the New Zealand Certificate in Financial Services (Level 5). This will provide:

- Consistency: NZQA quality assures all national qualifications through consistency reviews and the ongoing moderation of all assessments.
- Resourcing: NZQA-accredited providers of the New Zealand Certificate in Financial Services (Level 5) are already resourced to evaluate whether a person can demonstrate the standard through their delivery of the qualification and recognition of prior learning (RPL) processes.
- Transparency: It is easier for clients to appreciate the adviser's qualifications if they have achieved a nationally recognised qualification.
- Portability: The New Zealand Certificate in Financial Services (Level 5) is the nationally-recognised qualification for the industry

Under this model, Individuals can attain the qualification through formal study, RPL, or a combination of the two. Either should be through an NZQA accredited provider of the New Zealand Certificate in Financial Services (Level 5). This does not preclude a financial advice provider becoming an NZQA accredited provider, or working with an accredited qualification provider for 'RPL' for their internal training programmes.

Alternative qualifications

We agree alternative qualifications should be recognised but it is unclear how this will be implemented. Given it is a technical and potentially wide-ranging task (especially for overseas qualifications) who will have responsibility for assessing whether an alternative qualification satisfies the standard?

If the intention is that an alternative qualification be allowed for each strand, then this should be made clear in standards 11 and 12.

Q19 Overall, do you agree or disagree with [standard 10] and proposed commentary?

Respondent skipped this question

Q20 Please provide any comments on [standard 10] and the proposed comentary.

Respondent skipped this question

Page 14

Q21 Overall, do you agree or disagree with [standard 11] and proposed commentary?

Neither agree nor disagree

Q22 Please provide any comments on [standard 11] and the proposed commentary.

1. The New Zealand Certificate in Financial Services (Level 5)

We agree that the investment strand outcomes of the New Zealand Certificate in Financial Services (Level 5) should be the minimum standard of particular competence, knowledge and skill for designing an investment plan.

However, as in our comments for standard 9, we assume that you will refer to version 2 of the New Zealand Certificate in Financial Services (Level 5) when the Code is published. Given the advice process has been absorbed into each strand, the wording when referring to the current version of the New Zealand Certificate in Financial Services (Level 5) as an alternative way of demonstrating particular competence should be amended to include the advice process component of the financial advice strand. We suggest:

'have attained unit standards 25650, 25651, 25652 and 25653 of the financial advice strand, and achieved the qualification outcomes under the investment strand, of the New Zealand Certificate in Financial Services (Level 5) Version 1...'

2. Alternative ways of demonstrating competence, knowledge and skill

We disagree with the provision that 'the code does not limit ways that a person may demonstrate their particular competence, knowledge and skill'. Our reasons are documented in our response to Standard 9.

Alternative qualifications

See comments under standard 9.

Page 15

Q23 Overall, do you agree or disagree with [standard 12] and proposed commentary?

Neither agree nor disagree

Q24 Please provide any comments on [standard 12] and the proposed commentary.

1. The New Zealand Certificate in Financial Services (Level 5)

We agree that the relevant strand outcomes of the New Zealand Certificate in Financial Services (Level 5) should be the minimum standard of particular competence, knowledge and skill for other types of financial advice.

However, as in our comments for standards 9 and 10, we assume that you will refer to version 2 of the New Zealand Certificate in Financial Services (Level 5) when the Code is published. Given the advice process has been absorbed into each strand, the wording when referring to the current version of the New Zealand Certificate in Financial Services (Level 5) as an alternative way of demonstrating particular competence should be amended to include the advice process component of the financial advice strand. We suggest:

'have attained unit standards 25650, 25651, 25652 and 25653 of the financial advice strand, and achieved the qualification outcomes under the relevant strand, of the New Zealand Certificate in Financial Services (Level 5) version 1...'

2. Alternative ways of demonstrating competence, knowledge and skill

We disagree with the provision that 'the code does not limit ways that a person may demonstrate their particular competence, knowledge and skill'. Our reasons are documented in our response to Standard 9.

For individuals, AFA status is stated as an alternative only for the investment strand. Why does this not apply to other strands, where the AFA's services include insurance and/or residential property lending? Some risk advisers and mortgage brokers have voluntarily sought authorisation and they should be treated equally.

Alternative qualifications

See comments under standard 9.

Page 16

Q25 Is there anything missing from the draft Code?

Respondent skipped this question

Q26 If you answered yes, what is missing?

Respondent skipped this question

Q27 Do you have any feedback on the examples, or suggestions on other examples that should be included in the draft Code?

Respondent skipped this question

Q28 Is there anything else you want to say?

Respondent skipped this question

Page 17

Q29 Name

Brian Pascall

Q30 Your role or professional title

Lecturer, Programme Leader Financial Services

Q31 Individual or organisational submission

This is a submission on behalf of an organisation (eg employer)

Q32 If you give financial advice...

Respondent skipped this question

Q33 My organisation or I give the following types of advice...

Respondent skipped this question

Q34 Organisation Name

Open Polytechnic of New Zealand

Q35 Type of organisation

Education provider

Q36 Size of organisation

Large firm (50+ staff)

Q37 If there are other things we should know about you or your business that would provide context to your answers, please provide details below.

Respondent skipped this question

Q38 Please indicate whether your submission contains any information that is confidential or whether you do not wish your name or any other personal information to be included in a summary of submissions.

Respondent skipped this question

Q39 Please provide your contact details (email and/or phone number) This is the only question that requires an answer. This information would not be released publicly. We may get in touch with you in order to help us understand particular points from your submission.

s 9(2)(a)