

Unit: LC9 Review existing consumers' financial arrangements and requirements

Overview

This Standard applies to reviews agreed with consumers. You must show that you update yourself on consumers' current financial circumstances, including any significant changes, and the performance of their current financial arrangements. The emphasis in your review must be on ensuring that consumers' financial provision is appropriate to their current and foreseeable circumstances. You also have to show that you behave ethically and in compliance with the requirements of your organisation and the FSA.

Outcomes of effective performance

- LC9/O1 You determine accurately the financial performance of your consumers' existing financial arrangements
- LC9/O2 You explore and identify material factors affecting the appropriateness of your consumers' financial provision
- LC9/O3 You confirm and record material changes to your consumers' circumstances
- LC9/O4 Your evaluations are thorough and assess accurately the suitability of your consumers' existing financial arrangements against new and emerging solutions in fulfilling their established financial needs
- LC9/O5 You identify and agree with your consumer any beneficial changes to the financial solutions that can be provided
- LC9/O6 You progress agreed actions, checking that your consumers understand the process
- LC9/O7 You comply with legal requirements, compliance regulations, organisational policies and professional codes

Behaviours which underpin effective performance

- LC9/B1 You review consumers' arrangements at times agreed with them
- LC9/B2 You make the best use of existing sources of information
- LC9/B3 You use language readily understood by the consumer, check their understanding and explain any terms where the consumer is unclear
- LC9/B4 You identify clearly the value and benefits of your proposed solutions
- LC9/B5 You present complex ideas and solutions in ways which promote understanding
- LC9/B6 You encourage questions, and respond positively to consumers' responses to your recommendations
- LC9/B7 You carry out tasks with due regard to your organisation's policies and procedures, including those covering health and safety at work

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Knowledge and understanding

The Financial Advice Process

To achieve this standard you must demonstrate that your knowledge and understanding meets the learning outcomes in the industry's Appropriate Examination Standards for:

ApEx1 UK - Financial Services, Regulation and Ethics.

ApEx2 - Investment & Risk

And

- 1 If you are a retail investment advisor
 - a. ApEx3 - Protection, and
 - b. ApEx4 - Retirement Planning
- 2 If you are a mortgage adviser
ApEx5 - Mortgage Advice
- 3 If you advise on lifetime mortgages
 - a. ApEx5 - Mortgage Advice, and
 - b. ApEx4 - Lifetime Mortgage Advice

For a list of these outcomes, see pages 5-8.

For information on appropriate qualifications that meet these requirements, go to www.fssc.org.uk

In addition, you must demonstrate knowledge and understanding of

- 1 The main types of special needs faced by consumers within the financial services environment, the difficulties that these can pose and methods for providing assistance
- 2 Sources of information about the performance of consumers' financial arrangements
- 3 The typical factors that can cause change in consumers' circumstances and their implications for consumers' financial arrangements
- 4 The principles of effective time management

And your organisation's

- 5 Sales/advice giving policy, associated procedures and relevant indicators of performance
- 6 Products/services available
- 7 Compliance requirements, including the structure relating to the roles covered by the training and competence regime, and the limits of authority and responsibility of these roles
- 8 The application of codes, laws and regulatory requirements, including health and safety, as they impact on your activities