

National Certificate in Financial Services (Financial Advice) (Level 5) with strands in Investment Advice, Insurance Advice, and Residential Property Lending Advice

Level 5

Credits 55-62, depending on strand

This qualification has been **reviewed**. The last date to meet the requirements is 31 December 2018.

Transition Arrangements

This qualification has been reviewed and replaced by the New Zealand Certificate in Financial Services (Level 5) with strands in Financial Advice; Investment; Life and Health Insurance; General Insurance; Residential Property Lending; Personal Lending; Banking; Trustee Services [Ref: 2315].

For detailed information see [Review Summaries](#) on the NZQA website.

The last date for entry into programmes leading towards this qualification was 31 December 2016.

This qualification contains standards 24755 and 24756 which have expired.

This qualification contains standards that replace earlier standards. For the purposes of this qualification, people who have gained credit for the expiring standards are exempt from the requirement to gain credit for the replacement standards – see table below.

Credit for	Exempt from
16616	23397
11994	23394

Reverse transition

This qualification contains an expiring standard that has been replaced. People who have gained credit for the replacement standard are exempt from the requirement to gain credit for the expiring standard - see table below.

Credit for	Exempt from
26367	6409

NZQF National Qualification Registration Information

Process	Version	Date	Last Date for Assessment
Registration	1	March 2009	December 2010
Review	2	April 2010	December 2018
Review	3	September 2014	December 2018
Revision	4	January 2018	December 2018

Standard Setting Body

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National Certificate in Financial Services (Financial Advice) (Level 5) with strands in Investment Advice, Insurance Advice, and Residential Property Lending Advice

Level 5

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Purpose

This certificate provides a nationally recognised qualification for people in the financial services sector who are working or seeking work as a financial adviser, and who specialise in investment advice, insurance advice, or residential property lending advice.

It is intended for people who are required to give personalised and specific advice based on needs analysis of a wide range of data; determine appropriate methods, make recommendations for financial solutions and lead the client based on this analysis; and have full responsibility for the nature, quantity and quality of outcomes.

To gain the qualification, candidates must demonstrate competence in professional skills, which are covered in the core compulsory and core elective sections, and in the strands.

The core compulsory section covers knowledge and application of:

- professional practice, requirements of regulations, professional practice standards, and operational guidelines as a financial adviser;
- understanding of stages of financial advice and products;
- understanding of relationships between economic environments and the financial market;
- the steps of giving financial advice.

The core elective section covers generic business management skills and knowledge. Some standards from the Financial Services subfield are also included in this section.

This qualification offers a choice between three strands which reflect skills and knowledge relevant to the following areas of financial advice:

- Investment Advice – competence in the principles of investment, investment risk and return, investment products, and investment advice;
- Insurance Advice – competence in the principles of risk, risk management and underwriting, along with specialist knowledge in at least one area of insurance;
- Residential Property Lending Advice – knowledge of the residential property market and residential property lending, including loan products and the mortgage application process.

After qualifying for the certificate in one strand, candidates may qualify for additional strands by completing the requirements for those strands.

For information on how this qualification relates to the authorisation of financial advisers visit www.afacompetence.org.nz.

This qualification builds on the skills and knowledge introduced in the National Certificate in Financial Services (Level 4) [Ref: 1392]. However, that qualification is not a prerequisite for this qualification. This national certificate may lead on to higher level non-NQF financial services qualifications or higher level qualifications that ETITO plans to develop in the future.

Credit Range

	Core Compulsory	Core Elective
Level 4 credits	5	-
Level 5 or above credits	40	0-2
Minimum totals	45	0-2

	Investment Advice Strand	Insurance Advice Strand		Residential Property Lending Advice Strand
		Compulsory	Elective	
Level 4 credits	-	-	-	5
Level 5 credits	17	5	5-15	8
Minimum totals	17	10		13
Qualification strand total	62	55		58

Requirements for Award of Qualification

Award of NZQF National Qualifications

Credit gained for a standard may be used only once to meet the requirements of this qualification.

Unit standards and achievement standards that are equivalent in outcome are mutually exclusive for the purpose of award. The table of mutually exclusive standards is provided on the New Zealand Qualifications Authority (NZQA) website: <http://www.nzqa.govt.nz/qualifications-standards/standards/standards-exclusion-list/>.

Reviewed standards that continue to recognise the same overall outcome are registered as new versions and retain their identification number (ID). Any version of a standard with the same ID may be used to meet qualification requirements that list the ID and/or that specify the past or current classification of the standard.

Summary of Requirements

- A minimum of 55 credits
- Core Compulsory standards
- Core Elective – Balance

One of the following strands is required

- Investment Advice Strand
- Insurance Advice Strand
- Residential Property Lending Advice Strand

Detailed Requirements

Core Compulsory

The following standards are required

Service Sector > Financial Services > Financial Advice

ID	Title	Level	Credit
25642	Demonstrate understanding of relationships between economic environments, financial markets and their participants	5	5
25643	Demonstrate understanding of the stages of personal financial advice and the products used by financial advisers	5	5
25650	Demonstrate the steps in the financial advice process relating to client relationships and gathering information	5	6
25651	Demonstrate the steps in the financial advice process relating to the development and presentation of recommendations	5	8
25652	Demonstrate the steps in the financial advice process relating to the implementation and review processes	5	6
25653	Apply requirements of regulations, professional practice standards, and operational guidelines as a financial adviser	5	5
26360	Demonstrate understanding of the legislative framework for financial advisers	5	5

Service Sector > Financial Services > Financial Services - Professional Practice

ID	Title	Level	Credit
24755	Demonstrate knowledge of the industry and apply professional practice in a financial services organisation	4	5

Core Elective

The balance of credits to achieve

A minimum of 55 credits

May come from the following

Business > Business Operations and Development > Business Relationships Management

ID	Title	Level	Credit
7455	Develop and strengthen customer relationships and services	6	10

Business > Business Operations and Development > People Development and Coordination

ID	Title	Level	Credit
23394	Plan for and carry out staff selection	5	4
23397	Plan and monitor performance of others	5	6

Business > Financial Management > Financial Skills

ID	Title	Level	Credit
1875	Assist the conduct of internal audits	5	4
6409	Establish costs, prices, and conditions for providing products and/or services for a small business	5	5
6410	Manage financial resources for a small business enterprise	5	5

Humanities > Communication Skills > Writing

ID	Title	Level	Credit
9689	Produce an original policy and/or procedure manual for a business or technical process	6	4

Service Sector > Financial Services > Financial Advice

ID	Title	Level	Credit
25644	Demonstrate understanding of insurance structures, principles, products; and risk principles used by financial advisers	5	5
25648	Demonstrate understanding of investment concepts used by financial advisers	5	10
25654	Demonstrate understanding of the business risk insurance market and business risk insurance	5	5

Service Sector > Financial Services > Financial Services - Organisational Skills

ID	Title	Level	Credit
24756	Resolve disputes in the financial services industry	4	5

Service Sector > Financial Services > Mortgage Broking

ID	Title	Level	Credit
26286	Demonstrate knowledge of the mortgage industry, lending principles, home loan products and apply the application process	4	5

Investment Advice Strand

The following standards are required

Service Sector > Financial Services > Financial Advice

ID	Title	Level	Credit
25648	Demonstrate understanding of investment concepts used by financial advisers	5	10
25649	Apply principles of investment advice	5	7

Insurance Advice Strand

Meet the requirements of all of the following sets

- Insurance Advice Compulsory
- Insurance Advice Elective

Insurance Advice Compulsory

The following standard is required

Service Sector > Financial Services > Financial Advice

ID	Title	Level	Credit
25644	Demonstrate understanding of insurance structures, principles, products; and risk principles used by financial advisers	5	5

Insurance Advice Elective

A minimum of 1 standard

Service Sector > Financial Services > Financial Advice

ID	Title	Level	Credit
25645	Demonstrate understanding of the life insurance market and life insurance	5	5
25646	Demonstrate understanding of the health insurance market and health insurance	5	5
25647	Demonstrate understanding of the fire and general insurance market and fire and general insurance	5	5

Residential Property Lending Advice Strand

The following standards are required

Service Sector > Financial Services > Mortgage Broking

ID	Title	Level	Credit
26286	Demonstrate knowledge of the mortgage industry, lending principles, home loan products and apply the application process	4	5
26287	Demonstrate understanding of the residential property market and residential property lending as a financial adviser	5	8

Transition Arrangements

Version 4

Version 4 of the qualification was issued for the purpose of recognising the increase in credits on compulsory unit standards 25650, 25651, and 25652, which are used in the regulatory requirements for financial advisers. This change allows the industry norm of completing two unit standards in the insurance strand to permit achievement of the qualification. This version therefore aligns the qualification achievement and the licensing requirements.

Previous versions of the qualification

Version 3 of the qualification was issued following its replacement by a New Zealand qualification.

Version 2 of the qualification was issued to include new standards which cover knowledge and skills of residential property lending advice and the legislative framework for financial advisers, to reflect the review of unit standards 25648 and 25649 which make up the Investment Advice strand, and to include three strands in the qualification.

Changes to structure and content

- The Compulsory section was renamed Core Compulsory section and standard 26360 was added to it.
- Standards 25644 and 25648 from Elective A and standards 1875, 6409, 6410, 7455, 23394, 23397, and 25654 from Elective C were moved to the new Core Elective section. Standards 9689, 24756, 26286 were also added to this section.
- Standard 25649 from Elective B was moved to the new Investment Advice Strand. Standard 25648 was also added to this strand.
- Standards 25645-25647 from Elective B were moved to the elective section of the new Insurance Advice strand. Standard 25644 was also added to the compulsory section of this strand.
- The new Residential Property Lending Advice strand includes standards 26286 and 26287.
- The overall credit total was changed from 50 credits to 50-55, depending on strand.

Other standard setting bodies whose standards are included in the qualification

NZQA

Certification

This certificate will display the logos of NZQA, The skills Organisation and the organisation that has been granted consent to assess against standards that meet the requirements of the qualification (accredited).

Classification

This qualification is classified according to the classification system listed on the Directory of Assessment Standards (DAS) and the New Zealand Standard Classification of Education (NZSCED) system as specified below.

DAS Classification		NZSCED	
Code	Description	Code	Description
442	Service Sector > Financial Services	081101	Management and Commerce > Banking, Finance and Related Fields > Banking and Finance

Quality Management Systems

Providers and Industry Training Organisations must be granted consent to assess by a recognised Quality Assurance Body before they can register credits from assessment against standards. Organisation with consent to assess and Industry Training Organisations assessing against standards must engage with the moderation system that applies to those standards. Consent to assess requirements and the moderation system are outlined in the associated Consent and Moderation Requirements (CMR) for each standard.