



Speakers



John Gaskell
Technical Manager
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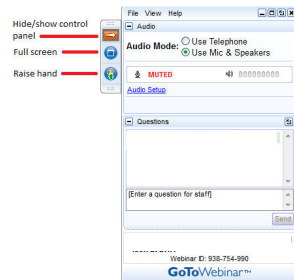


Sarah Thwaites
Director
Thwaites Associates

Ask a question

- Participate in today's webinar – send us a question

- Audio problems – if you experience poor sound quality you may benefit from selecting "Use Telephone" from your Audio Mode settings



Statements of Professional Standing (SPS)

- Regulatory requirement from 1 January 2013
- Applies to Retail Investment Advisers - CF30 status
- Must obtain an SPS to demonstrate they have met the required standards of professionalism
- Issued by Accredited Bodies (AB)
- The SPS is not a statement of competence – this remains the responsibility of the firm, not the AB

SPS CPD requirements:

- In the preceding 12 months must have complied with the standard required by the FCA
- Minimum 35 hours relevant CPD in each 12 month period, including no less than 21 hours structured CPD
- Must be relevant to your role as a retail investment adviser
- And it needs to be recorded in verifiable format
- Is separate to the ICAEW CPD regime

ICAEW's CPD Regime

- The SPS regime should not be confused with ICAEW's CPD regime, which applies to all members of ICAEW that:
 - do any accountancy-related work (paid or unpaid)
 - do any other work for reward
 - act as a trustee or corporate director or who perform any role which carries with it financial and/ or legal responsibilities
 - plan to undertake any of the above activities in the future

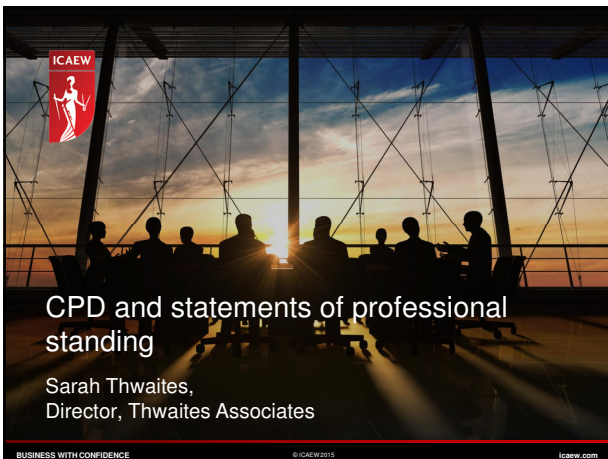
This means that:

- Members must undertake sufficient CPD of a type that is relevant to your role
- Ensure they have the relevant knowledge and skills required to undertake their role
- It is not an hours based system
- The ICAEW regime does not classify CPD in terms of structured and unstructured hours
- ICAEW will randomly select members for review on an annual basis
- You must be able to demonstrate that you have fully complied

3 Stage Process:

- Reflect:
 - Knowledge and skills required to do your role
 - Responsibilities and expectations
 - Identify your learning and development needs
- Act
 - Identify appropriate mechanisms to fulfil your learning needs so that you are fully up-to-date and competent
- Impact
 - Assess the effectiveness of these activities and consider whether they have fulfilled your objectives
 - If not, reassess, reflect, and act to recomplete the cycle so that you have filled the gaps so that you are fully competent

Compare with the SPS CPD Regime:



CPD and statements of professional standing

Sarah Thwaites,
Director, Thwaites Associates

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What the rules require for a *retail investment adviser CPD*

- Minimum of 35 hours in each 12 month period (21 hours structured)
- Be relevant to the current role and any anticipated changes
- Maintain knowledge by reference to the current qualification standards- these are the benchmark level 4 qualifications
- Contribute to professional skill and knowledge
- Address any identified gaps in technical knowledge
- Objectives, learning needs and outcomes
- Be measurable and capable of independent verification by ICAEW

CPD- Structured and Unstructured

Structured

- Can be verified
- Was there a learning outcome?
- Can you provide evidence?
- Have you reflected on what you learned and how it can be applied?
- 30 minutes

Unstructured

- Less specific in nature
- Must still be relevant
- e.g. financial press, technical articles
- Still important
- Reasonable assurance approach to verification

Retail investment adviser

“ Continuing professional development completed by a *retail investment adviser* in relation to activities other than acting as a *retail investment adviser* should not be taken into account for the purposes of Tc2.1.15R unless it is also relevant to the activity of acting as a *retail investment adviser*”

A retail investment adviser

Who do the requirements apply to?

- A "retail investment adviser" is a person who carries out any of the following activities, in relation to a retail client:
 - Advising on securities which are not stakeholder pension schemes, personal pension schemes or broker funds;
 - Advising on and dealing in securities which are not stakeholder pension schemes, personal pension schemes or broker funds;
 - Advising on derivatives;
 - Advising on and dealing in derivatives;
 - Advising on retail investment products which are not broker funds; or
 - Advising on Friendly Society tax-exempt policies.

Examination Standards

- Appropriate qualifications, level and content prescribed through examination standards.
- Core standards
 - Personal taxation
 - Financial protection
 - Financial services, regulation and ethics
 - Investment principles and risk
- Specialist standards
 - Application standards, packaged products
 - Pension and retirement planning
 - Securities and/or derivatives, including application standards

Record keeping and reporting

- Annual declarations
- Suspending the requirements
- Adviser access to the CPD records
- Demonstrating compliance with the rules
- Notification to the FCA regarding the advisers competence

How to complete 35 hours of CPD

- The point of CPD is in the outcomes it achieves
- What it is not

"CPD is not a collection of certificates of attendance. We expect you to be able to demonstrate to your accredited body that you have learned and developed your knowledge and skills as a result of carrying out CPD activities"

The PDP cycle



Personal Development Plan-CPD Record

Date	Time & Type	Learning need	Activity	Evidence	Reflective statement
3.2.15	2 hours	To improve communications skills when speaking to older clients	XJY Workshop "Treating older customers fairly" A practical course explaining the theory followed by role plays	CPD certificate and video of the role play	Increasingly I am providing advice to older clients and this course allowed me to understand how to ensure that my communications skills are appropriate. My supervisor will be observing the next relevant client interview to provide further feedback

Date: When did the learning occur?	Name of learning activity	Type: What type of activity is involved?	What does the learning seek to achieve?	How did you acquire the learning?	How long was spent on learning?	Reflective learning: how has this specific activity helped you to fulfil your responsibilities as a Retail Investment Adviser	Evidence: How can the learning be verified?	Does this activity meet the FCA's definition of structured CPD for purposes of an SPS?
17/09/2014	Financial Services Faculty Conference: pensions workshop	Technical update	To improve my understanding of the details of the Budget pension reforms and how they will affect retirement planning and managing decumulation	Interactive workshop delivered by technical experts	1 hour	By attending this interactive workshop, I acquired a more detailed understanding of the changes that are due to be fully implemented in April 2015. This means I am now able to reevaluate the suitability of my clients pension investment products and advise new clients on the most appropriate way to meet their retirement planning needs moving forward. I will need to revisit this area in April 2015 once the new pensions regime takes full effect so that I fully understand the final details of the new pensions regime.	Letter from ICAEW confirming attendance of this workshop, supported by my reflective learning statement	Yes

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Record keeping

- Make it easy to record your CPD and update your records regularly
- Can it easily be sent to your AB?
- Does your CPD record tell a story? - will it be easy for the ICAEW to verify
- Make sure its relevant to your role as a *retail investment adviser*
- Complete CPD regularly over the 12 month period
- Quality rather than quantity

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Embedding a CPD culture

- Senior management actively promote and support – Tone from the top
- Reinforce the importance of CPD- performance reviews- firms mandatory requirements
- Soft skills should be included and be relevant to the role
- Encourage CPD throughout the year.
- Individuals responsibility to own and log CPD
- Ensure that the record keeping format can be used to obtain the SPS

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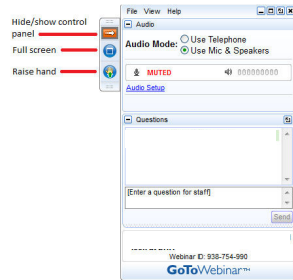
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Summary

- When recording CPD make sure the documentation works for you and your firm but will also help you gain your SPS- clear picture painted
- Complete CPD throughout the year, it doesn't take much to achieve or exceed the requirement
- Don't make it about hours, make sure it really supports your professional development and therefore benefits your clients
- It should be enjoyable and beneficial, if not ask yourself why it has become a chore and change your style/approach
- Make sure it's relevant to your role as a retail investment adviser and supports business development

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Questions

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Future events and webinars



Conference - 2015

- 26 November – Adviser Conference 2015 – check icaew.com/events for details



Upcoming webinars

- 02 July – MiFID II webinar
- Visit icaew.com/fsfwebinars for details of our previous webinars

THANK YOU FOR ATTENDING

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