

FAQs:

Achieving Diploma status

Our frequently asked questions, on the solutions we have developed to help advisers meet the proposed RDR qualification requirements, are answered within this document.

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Qualifications

Existing CII qualifications (Certificate and Diploma in Financial Planning)

1. I'm training to be a financial adviser and want to know if I should be studying for the Certificate in Financial Planning?

Our advice is that you do NOT enrol to complete the Certificate in Financial Planning. This is because the Financial Services Authority, as part of the Retail Distribution Review (RDR), has announced that all advisers will need to hold a qualification at a higher level.

We now offer an RDR-compliant qualification, the Diploma in Regulated Financial Planning. This replaces previous benchmark qualifications such as the Certificate in Financial Planning.

The Diploma in Regulated Financial Planning comprises 6 exam units (see the section below on the new Diploma in Regulated Financial Planning for fuller details).

We would recommend that you commence study with unit: (R01) Financial services, regulation and ethics. Once completed, this will enable you to advise under supervision until such time as you have completed the new Diploma qualification.

2. Does the Certificate remain relevant for anyone working in financial services?

The Certificate in Financial Planning or units within this, remain relevant for those who fall into the following groups:

- Those working in adviser support roles.
- Those working in administrative roles in financial services and studying for the Certificate in Financial Administration or Certificate in Life and Pensions.

3. When will the existing Diploma in Financial Planning stop being offered?

The existing Diploma in Financial Planning is currently scheduled to be offered at least until the end of 2012. We will be regularly monitoring take-up of this qualification and, should circumstances change, we will give all enrolled candidates suitable notice.

4. I'm planning to study for the Certificate in Mortgage Advice. Does the requirement to sit units 'CF1 – UK financial services, regulation and ethics' and 'CF6 – Mortgage advice' still apply?

Yes. The Financial Services Skills Council (FSSC) list of approved qualifications for those providing mortgage advice still stipulates the Certificate in Mortgage Advice comprising units CF1 and CF6. We are currently in the process of submitting a proposal that candidates should have the choice of (CF1) or the new unit (R01) Financial Services, regulation and ethics together with (CF6). A decision on this is unlikely to be reached before the year end. Further details will be communicated as soon as we have them. In the interim anyone seeking to qualify to give mortgage advice should complete the existing specified units.

5. I see that under the existing Diploma I can sit the units (coded 'R0') offered under the new Diploma in Regulated Financial Planning. Are there any advantages to sitting the new rather than the old?

For maximum flexibility candidates enrolled for the existing Diploma in Financial Planning also have access to the new Diploma in Regulated Financial Planning exam units. They can sit these instead of the J0 units or in conjunction with these, together with Certificate units and an Advanced Diploma unit – all subject to the specified Diploma qualification requirements.

The advantage in sitting the new Diploma units is that these meet the new exam standards in full (as does the existing Diploma unit (J08) Financial planning practice) meaning that there is no 'gap' between these and the new FSA/FSSC exam standards that will need to be addressed before the end of 2012 deadline. And as the majority of the new exams are objectively tested all year round with instantaneous results notification, there is more flexibility around when and where you sit these.

Anyone passing the existing Diploma, irrespective of unit choice, will meet the new qualification requirements, though some qualification gap fill activity may be required depending upon the units selected. See the qualification gap fill section for details.

6. Why will results from the new Diploma in Regulated Financial Planning unit R06 be released within 4 weeks of the exam, yet those from the J0 units, which are also written exams, typically take 8 weeks?

When developing the new Diploma in Regulated Financial Planning units, we gave careful consideration to the exam process, taking into account market feedback on our existing qualifications and the likely demand for the new units. As the new R0 units are likely to be the most popular (because they meet the new exam standards in full), and as demand for J0 units is likely to decline, we have focused our resources where they will deliver maximum benefit.

Units R01-R05 will be multiple-choice tested, delivering immediate results notification on completion. As a planning paper, unit R06 will be tested through a written exam. In the case of R06, we have enhanced our exam marking processes to reduce the time taken to deliver results, while retaining the necessary protocols to ensure accurate and fair results. These enhancements require more of the marking process to be carried out centrally in our offices by our most experienced examiners and, in turn, carry additional costs. For these reasons we are currently not in a position to extend this approach to all written exams.

We will continue to monitor developments and, if we can extend the enhancements more widely, we will do so.

7. If I want to switch from Certificate or Diploma in Financial Planning units to units from the new Diploma in Regulated Financial Planning, will I get a refund in respect of the study materials and/or exam entry I have already bought?

The FSA and the FSSC, together with other stakeholders, have over the last four years confirmed that changes will be made to the qualification requirements. The CII and PFS have in particular published responses to the FSA RDR Consultation Papers, undertaken RDR member surveys, run articles in Financial Solutions, and delivered event presentations, etc. From the feedback received we identified the key issues raised and have reflected these in the qualifications we are now offering. We also released notice of our proposed qualification solutions in advance of regulatory approval.

Any information provided by the CII relating to qualifications was correct at the time provided, and study materials and exam entries have always been sold in good faith. For economic reasons, we are only able to provide refunds or transfers in respect of materials or services purchased where cancellation is enacted within seven working days from the day after the date on which either the products are received by you or your order for services is accepted by the CII. Notice should be sent to Customer Service and in the case of materials these must be returned in the condition in which they were supplied to you (typically shrink wrapped).

If you have entered for an exam and wish to transfer this entry to one of the new Diploma units, you can do so by advising Customer Service (subject to the standard notice periods) and your credit will be held on account until the new units are available (note any difference between the exam entry fee paid and that applicable in respect of the new Diploma unit will be payable in addition). We will, in this instance, be waiving the standard £38 administration fee normally applicable to the change of exam entries.

Notes:

- The Certificate in Financial Planning is an FSA qualification requirement for those practising as investment advisers and it remains so until the 2012 deadline (when all advisers will be required to hold a level 4 qualification (the Certificate is at level 3)).
 - Holders of the Certificate unit (CF1) UK financial services, regulation and ethics are authorised to give advice under supervision until such time as they have completed the Certificate or the Diploma.
 - Holders of the Certificate unit (CF3) Financial Protection will gain an exemption against the corresponding unit within the new Diploma and therefore a head start towards its completion.
- The existing Diploma in Financial Planning was created by the CII, in advance of any regulatory requirement, to meet the needs of advisers who wished to continue their formal professional development beyond the regulatory minimum of the Financial Planning Certificate or Certificate in Financial Planning (or equivalent).

8. Why should I sit a CII Diploma qualification as a means of achieving RDR compliance rather than a qualification offered by another professional body?

Choosing the most appropriate route for study is a matter of personal choice; the CII is not able to offer a critical evaluation of qualifications offered by other awarding bodies.

For the reasons below, we believe our Diploma qualifications represent “best of breed”. In addition to satisfying the new regulatory qualification requirements, they develop the knowledge and skills required by advisers seeking to deliver a first-class service.

Reflecting extensive industry consultation, the CII Diploma qualifications are unrivalled in scope and range of benefits:

- **Appropriate** – satisfy the new FSA exam standards, are listed by the FSSC on its ‘Recommended List’ and are QCF Level 4 approved
- **Relevant** – suitable both for new entrants and experienced advisers seeking to upgrade
- **Year-round entry and examinations** – you can plan study around business commitments and enter staff for exams when ready
- **Modular** – you set the pace at which you learn
- **Pay-on-use** – fees are payable as you progress
- **Unrivalled study support** – the widest range of learning and revision materials to help achieve first-time success
- **Multiple-choice testing (R0 exams)** – provides immediate notification of results
- **60 public exam centres with year-round testing (R0 units) together with in-house option** – staff sit exams at a convenient time and location
- **Comprehensive exam feedback** – highlights areas of weakness for further development.
- **Enhanced Diploma in Financial Planning:**
 - provides entrants with access to RDR-compliant ‘R0’ units from the new Diploma in Regulated Financial Planning, in turn reducing the amount of qualification gap fill activity required.
 - provides recognition, in the form of credits, for relevant prior learning (both CII and non-CII e.g. FPC or Certificate in Financial Planning or equivalent; Certified Financial Planner; accounting, economics, finance, law and management degrees [The latter obtained in the last 10 years]).
- **Supports ongoing career development** – credits awarded for completing a Diploma can be used towards attaining Chartered Financial Planner status

You can download a brochure at www.cii.co.uk/rdr that provides information on all of the above, together with guidance on the most appropriate study routes and a series of FAQs.

New Diploma in Regulated Financial Planning

1. I have heard about a new RDR-compliant qualification, the Diploma in Regulated Financial Planning. Is this available? How do I find out more?

The Diploma in Regulated Financial Planning is a new fully RDR compliant qualification launched in June 2010. Detailed below is an overview of this qualification with fuller details available at www.cii.co.uk/dip-rfp

The Diploma:

- Comprises 6 compulsory units (equating to a total of 100 CII exam credits), which must all be completed.
- The subjects covered are:
 - (R01) Financial services, regulation and ethics
 - (R02) Investment principles and risks
 - (R03) Personal taxation
 - (R04) Pensions and retirement planning
 - (R05) Financial protection
 - (R06) Financial planning practice

The first five of the above objectively examined (multiple choice format). The Financial planning practice paper is a written exam.

The objectively-tested papers are available to sit all year-round. The planning paper is available to sit six times a year from 2011 – January/April/June/July/October/December.

Completion of this qualification meets the new RDR exam requirements in full, meaning that holders are not be required to undertake additional competency gap-fill activity. The first unit, the 'Financial services, regulation and ethics' paper was available at launch of this qualification in June. The other units are being rolled out in the period June-August 2010.

2. I hold the FPC/Certificate in Financial Planning (plus possibly other relevant CII and non-CII examinations). Should I sit the existing Diploma or wait for the new one?

Please see www.cii.co.uk/rdr for suggested study routes.

3. I hold existing CII financial services exams; can I use these towards completing the new Diploma in Regulated Financial Planning?

As the new Diploma will examine new learning standards that have only recently been introduced there is currently very little in the way of accredited prior learning (credits awarded into the CII qualification framework for equivalent prior learning).

At the moment accreditation is only available for the following existing CII exams since these already meet the exam standards set by the FSSC/FSA:

- Holders of the Certificate in Financial Planning unit (CF3) Financial protection (or equivalent from other awarding bodies) will not need to sit the corresponding unit in the new Diploma (R05).
- Holders of the withdrawn Diploma unit (J08) Financial planning practice will not need to sit the new Diploma planning paper (R06).

As other awarding bodies (universities, colleges and other professional bodies) develop courses to the new standard it is expected that the level of accreditation available will increase. Applications should be made in the normal fashion, with full application details being available at www.cii.co.uk/individual-accreditation

Relevant prior learning can be used towards completion of the existing Diploma in Financial Planning.

Note: credits awarded in respect of CII exams held will automatically added to your learning account, details of which can be viewed, in the form of a personalised Learning Statement, at www.cii.co.uk/learningstatement

4. Will I get any refund in respect of CII Certificate or Diploma in Financial Planning units where these cannot be used towards completing the new Diploma in Regulated Financial Planning?

Please refer to question 6 within the 'Existing CII qualifications (Certificate and Diploma in Financial Planning)' section above.

5. Why is it that the new Diploma in Regulated Financial Planning only requires 100 credits and 6 units to complete, while the existing Diploma requires a minimum of 140 credits and typically 9 units (comprising 4 Diploma units and 5 Certificate in Financial Planning units)?

The existing Diploma in Financial Planning was created by the CII, in advance of any regulatory requirement, to meet the needs of advisers who wished to continue their formal professional development beyond the regulatory minimum of the FPC or Certificate in Financial Planning or equivalent. The robust nature of the existing Diploma is reflected by the fact that it has been recognised as a transitional qualification in the new FSA RDR qualification framework (this means holders won't have to sit further examinations in order to meet the new exam standards, although qualification gap fill requirements do apply). Over 30,000 individuals have completed the Diploma to-date or are en route to completion.

The new Diploma was created to meet the requirements laid down by the FSA in the RDR.

6. Is the new Diploma in Regulated Financial Planning easier to complete than the existing Diploma since its exams are mainly objectively tested (multiple choice) rather than written?

This is certainly not the case. Great care has been taken in selecting the examination methodology.

Objective testing is a tried-and-tested approach that is established within higher education. Increasing numbers of universities and other professional bodies are adopting this method of assessment.

Advantages include the fact that, because the questions typically take candidates less time to complete, with answers not having to be written out, it is possible to have a greater number of questions, thereby testing a

greater proportion of the syllabus. The breadth of this coverage lessens candidates' ability to "question/subject spot" since more of the syllabus will be covered. Additionally, our testing methodology extends beyond mere knowledge recall, involving comprehension, application and analysis-based questions that focus on the specified learning outcomes for the units in question.

Objective testing also removes any possibility of variations in marking due to subjective factors. All questions are considered to ensure no bias exists in the questions themselves.

A range of techniques is also employed to ensure that the objective testing is robust and to minimise the chances of candidates making a 'lucky guess'. This includes, for instance, checks to ensure the removal of "implausible distracters" (obviously wrong answers) ensuring no inadvertent narrowing of the answer pool.

In addition to being a robust means of testing, objective testing lends itself to online examinations and electronic marking, enabling candidates to get instantaneous results notification, with formal confirmation sent within 7 days. And in the event that a candidate fails they can enter to re-sit in as little as 7 days. This addresses a concern raised by many existing Diploma entrants that three exams sessions a year, as is the case with the existing Diploma (J0) units, isn't flexible enough when trying to balance work/life commitments.

7. How much will the new Diploma in Regulated Financial Planning cost to complete?

The following pricing relates to the study options being made available for units R01–R06:

Study option	Member price per unit	Non-member price per unit
Study text with updates (R01, R02, R06)	£93	£130
Study text with updates (R03–R04)	£56	£73
Study text with updates (R05)	£33	£40
Exam preparation course (Unit R06 only)	£164	£206

Details of pricing for other study support items being made available typically mirror our standard pricing across all other CII qualifications. Visit www.cii.co.uk/dip-rfp for full details.

The exam entry fees for units R01–R06 are:

Units	Member price per unit	Non-member price per unit
R01, R02	£107	£142
R03, R04	£64	£83
R05	£58	£60
R06	£127	£162

8. I see that the pricing of the Diploma in Regulated Financial Planning varies between units. Why is this?

As with all products and services provided for a fee, pricing takes account of a range of factors: development, production and administration costs, anticipated demand, testing methodology, etc.

In the case of the R0 units:

- We have priced the units individually, reflecting the costs involved in each (rather than spreading the total cost uniformly across all six units) so as not to penalise existing Diploma in Financial Planning candidates who are studying for these units. Advisers following this route will have different study requirements, requiring varying numbers of units in order to complete, rather than needing to study all six units as is the case for those seeking to complete the Diploma in Regulated Financial Planning.
- The pricing applied now will be effective until 31 December 2011 and, as such, reflects current inflationary pressures. For this reason, small price increases have been applied in some instances when compared to other existing comparable CII units, e.g. R05. Any price increases for existing units will be applied with effect from 01 January 2011.
- With unit J08 and its replacement R06, it is the case that J08 was due to receive a price increase. The previous pricing was unsustainable (it was priced as per the other J0 units when, as a three-hour written exam, it is more costly to administer and mark).
- To support members we have also introduced increased member discounts on a number of units both in respect of learning material and exam entry (for example units R01 and R02).

9. Although I have started studying for the Diploma in Financial Planning, I now want to complete the new Diploma in Regulated Financial Planning. I note that, in certain instances, the existing J0 units I hold are treated as comparable to units in the new Diploma. Can I still enter for these new Diploma units?

Yes. To complete the new Diploma in Regulated Financial Planning you need to pass all six specified units coded R01-R06 (the only exceptions being where you hold Certificate unit CF3 and/or Diploma unit J08, which give exemptions in respect of new Diploma units R05 and R06, respectively, since these meet the new exam standards in full). This means all candidates can enter.

However, please bear in mind the overriding rule which states that, where two comparable units are held, only one award of credits will be made. This will remain in place if you subsequently decide to continue your studies towards Chartered Financial Planner status and use exams already held towards the Chartered completion requirements. For example, someone holding a pass in unit J01 who then completed unit R03 would only get one award of credits to be used towards Chartered status, being the 20 Diploma credits that attach to J01 (R03 attracting 10 credits). In each instance, the unit attracting the highest number credits can be used.

The units treated as comparable due to the degree of syllabus overlap are as follows:

Certificate/Diploma in Financial Planning units		NEW Diploma in Regulated Financial Planning	
Unit code/title	Credit value/level	Unit code/title	Credit value/level
(CF3) Financial protection	10 – Certificate	(R05) Financial protection	10 – Certificate
(J01) Personal tax	20 – Diploma	(R03) Personal taxation	10 – Diploma
(J04) Pension funding options	20 – Diploma	(R04) Pension and retirement planning	10 – Diploma
(J06) Investment principles, markets and environment	20 – Diploma	(R02) Investment principles and risk	20 – Diploma
(J08) Financial planning practice	30 – Diploma	(R06) Financial planning practice	30 – Diploma

10. I note that in certain instances (see table from question 9. above), the existing Certificate CF and Diploma J0 units are treated as equivalent to new Diploma R0 units, but with the exception of CF3 and J08 these cannot be used to complete the new Diploma. Why is this?

The CII judges units to be equivalent where there a minimum 80% syllabus match and 70% assessment match exists. In these instances, we only allow one award of credits as to do otherwise would result in candidates effectively getting double recognition for the same learning. Holders have the higher of the two credit figures added to their CII learning account.

However, as the Diploma in Regulated Financial Planning is an FSA regulated qualification, a 100% syllabus match is required in order for an exemption to be given. It is the case that only units CF3 and J08 have this degree of syllabus match against the comparable new units, R05 and R06, respectively. That said, holders of the other units listed in the table for Question 9. above can use these to complete the existing Diploma in Financial Planning (subject to the completion requirements).

11. Having studied with the CII beyond the Financial Planning Certificate or Certificate in Financial Planning, would it be sensible to now switch to the new Diploma in Regulated Financial Planning?

This largely comes down to personal choice, but we would draw your attention to the following important considerations.

The credits that you hold may mean that completion of the existing Diploma in Financial Planning (see www.cii.co.uk/dip-financialplanning for details) will require the completion of fewer additional exams and therefore less study than completing the new Diploma in Regulated Financial Planning, the latter requiring completion of specified learning route. In addition, you also have the ability to sit the new Diploma units as part of your studies towards the existing Diploma.

However, it may mean that depending on your unit choice you may have a gap between your Diploma qualification and the new FSA/FSSC exam standards that you will need to address through qualification gap fill. Please see the 'qualification gap fill' FAQs which can be found at www.cii.co.uk/rdr for further details.

12. When will the learning materials for the new Diploma in Regulated Financial Planning be available?

Learning material, in the form of the core study texts and online study support (RevisionMate), for the new units are being made available between June and August, commencing with the '(R01) Financial services, regulation and ethics' unit. The full suite of learning and revision materials covering exam guides, key fact booklets, audio revision, interactive tutorials and face-to-face revision courses are being rolled out from June through to the first quarter 2011.

13. Are the same range of learning and revision materials being made available for the new Diploma in Regulated Financial Planning as is provided for the existing Diploma in Financial Planning?

The range is comprehensive and comparable with that offered for the existing Diploma. This includes core study texts, exam guides, key fact booklets, audio revision, interactive tutorials, face-to-face revision courses and RevisionMate. As mentioned above, the individual items are being rolled out on a phased basis.

As with all CII qualifications, we will be looking to expand and enhance the offering to provide candidates with the most effective range of study support.

14. When will the new Diploma in Regulated Financial Planning first be examined?

Testing will commence in the following months:

- (R01) Financial services, regulation and ethics – July 10
- (R02) Investment principles and risks – September 10
- (R03) Personal taxation – September 10
- (R04) Pensions and retirement planning – September 10
- (R05) Financial protection – September 10
- (R06) Financial planning practice – October 10

For full details of dates, times and available centres visit www.cii.co.uk/online

15. What will be the format of the new Diploma in Regulated Financial Planning units?

Unit	Exam duration	Exam method	Study hours
(R01) Financial services, regulation & ethics	2 hrs	100 MCQ	60
(R02) Investment principles & risks	2 hrs	100 MCQ	60
(R03) Personal taxation	1 hr	50 MCQ	50
(R04) Pension & retirement planning	1 hr	50 MCQ	50
(R05) Financial protection	1 hr	50 MCQ	50
(R06) Financial planning practice	3 hrs	Written	100

16. How do I get more information on the new Diploma in Regulated Financial Planning?

You can access fuller information by visiting www.cii.co.uk/dip-rfp

Alternative Assessment

1. What form will the Alternative Assessment take?

Alternative Assessment is still in its development phase with a pilot launch planned for September and a full roll-out from November. This is a service that will be appropriate only for knowledgeable and experienced advisers. Currently, it is expected that this will involve a three stage process:

- **Pre-assessment diagnosis** – to ensure the requirements and demands of the scheme are fully understood.
- **Evidence submission** – details of qualifications held and CPD undertaken.
- **Assessment day** – likely to include a short knowledge test, professional discussion, a case study, scenario discussion, role play and a technical interview with an independent assessor to establish equivalent knowledge and skill levels.

This will be a robust and in-depth assessment leading on successful completion to the award of the new Diploma in Regulated Financial Planning.

2. What will the Alternative Assessment cost?

Alternative Assessment is the most expensive route at £1,950. This is because it involves a one-to-one workplace personal assessment and review undertaken by an experienced and externally validated consultant.

3. Who will be able to sit the Alternative Assessment?

As Alternative Assessment is testing an adviser's knowledge of the full range of new exam standards and his or her ability to apply this knowledge, together with corresponding business disciplines/skills in the workplace, it is an option that is only suitable for an experienced adviser.

4. When will the Alternative Assessment option be available?

This is in development, but is likely to be available publicly from November. Full details will be communicated when it becomes available.

5. On completion of the Alternative Assessment, what do entrants receive?

Successful completion will result in the award of the Diploma in Regulated Financial Planning qualification, meeting the FSA RDR qualification requirements in full.