

A future career in financial planning: About apprenticeships

New Financial Planning apprenticeships:

The following schemes are now available for all firms.

The entry points are flexible – for example, you can start with the Financial Services Administrator and then progress on to the Paraplanner, or you can go straight on to the Financial Adviser apprenticeship – you can decide what's best for your business and your apprentice.

All these apprenticeships attract government funding which can include the cost of exams and study support. Small firms (defined as <50 staff) can qualify for additional incentives.

Apprenticeship funding will be extended to include new or existing staff with degrees from April 2017.

Financial Services Administrator

- Includes CF1 or R01
c1 year

Mortgage Adviser Cert CII (MP)

- Includes CF1 & CF6
c1 year

Paraplanner Cert Paraplanner

- Includes R01,2,3 & J09
c18-24 months

Financial Adviser Dip PFS

- Includes R01-6
c24-30 months

How does the funding work?

Government funding is available to support employers on all the apprenticeship schemes above. The funding is for training and development costs only; i.e. you are responsible for all salary, recruitment and management costs as for any other employee.

In order to access funding, you need to work with an approved apprenticeship training provider that will draw down funding on your behalf, deal with all the administration required and advise on any additional incentives you may be entitled to, for example - employers with less than 50 staff.

The following example is for the Financial Adviser apprenticeship and is the **maximum** funding allowable. The actual costs of funding should be discussed with your approved apprenticeship training provider.

Note: Funding arrangements will be changing from April 2017. If you are flexible about your start date you should discuss these changes with your training provider. You should compare pre-April 2017 & post-April 2017 funding options, to ensure you are maximising the support available.

1. Small Employers (defined as <50 employees)

Example 1a: Small employer <50 employees. Apprentice aged 16-18 (age on day of sign up to scheme)

£3000 employer contribution required, £3600 reclaimable through incentives and successful completion payment – Net employer surplus: £600

Example 1b: Small employer <50 employees. Apprentice aged 19+ (age on day of sign up to scheme)

£3000 employer contribution required, £1800 reclaimable through incentives and successful completion payment – Net employer contribution: £1200

2. Larger employers (defined as >50 employees)

Example 2a: Larger employer >50 employees. Apprentice aged 16-18 (age on day of sign up to scheme)

£3000 employer contribution required, £2700 reclaimable through incentives and successful completion payment – Net employer contribution: £300

Example 2b: Larger employer >50 employees. Apprentice aged 19+ (age on day of sign up to scheme)

£3000 employer contribution required, £900 reclaimable through successful completion payment – Net employer contribution: £2100

Step by step guide to developing new talent for your business, using apprenticeship schemes

Step	Actions / Decisions
1. What skills or role do you want to develop?	<p>Map your skills needs against the available apprenticeship schemes above</p> <ul style="list-style-type: none">• Click here for more detail of the 4 schemes:• Financial Services Administrator• Mortgage Adviser• Paraplanner• Financial Adviser
2. Do you have an existing member of staff who you would like to develop?	<ul style="list-style-type: none">• Review their current qualifications against those in the apprenticeship schemes• Decide which apprenticeship is most relevant to your business needs and the progression potential of your member of staff
3. Do you need to recruit a new member of staff?	<ul style="list-style-type: none">• Define the role and agree what package you need to offer to attract the right candidate, for example consider the local market for recruitment vs attractiveness of package to find a candidate who can pass professional qualifications and add value to your business• Speak to a specialist apprenticeship training provider that understands the financial planning sector. They will be able to support with further advice. Some also provide a free search for available candidates that fit your profile. You can then interview these pre-selected candidates and make your own decision about offering the position. <p>Click here for CII accredited apprenticeship training providers</p>
4. Research apprenticeship training providers	<ul style="list-style-type: none">• Visit the CII website to review training providers that are accredited by the CII, which apprenticeships they offer, which geographical locations they cover, etc.• Interview these providers to see which can best offer what you need, including for example what exam/revision support is offered by them within the apprenticeship scheme• Ask the training providers to confirm what incentives might be available to your business and what financial contribution you will need to make• Ask for references or case studies from within the sector to help in your decision making
5. Agree support and delivery model	<ul style="list-style-type: none">• Meet with your training provider to agree the programme of support and the timetable for delivery• Ensure you / the line manager and the apprentice understand their roles and commitment to making the apprenticeship scheme a success

Overcoming concerns or anxieties – typical barriers to embracing apprenticeships

Concern	Solution
I have heard that the quality of apprentices is poor – they are not up to the role or passing the exams	Apprentices are the same as any other new recruit or member of staff. It is up to you to design the right reward package to attract the right person. This is not about minimum wage or cheap labour. It is about you investing in talent for the future of your business.
I am worried that I won't have the time needed to design a training plan and to help develop the apprentice	The apprenticeship scheme and training provider are there for precisely this reason. Discuss with the training provider how the programme will work and what support they will give you. Agree the part you will play before agreeing to start the scheme. Your time can be kept to a minimum, but equally you should plan to invest some of your / your staff's time in developing your apprentice's skills.
If the apprentice turns out to be the wrong choice, what can I do – am I stuck with them?	From an HR perspective, an apprentice must be treated like any other member of staff. If things don't work out you can terminate the contract of employment under the usual rules of employment law, i.e. there is nothing contractual to make you continue to the end of the apprenticeship scheme. Equally, the apprentice has normal rights and notice periods as indicated in their terms of employment.
Apprentices are too young and lacking in life skills. It's too big a step for them to become a financial adviser	Remember firstly that an apprentice can be any age from 16-65, so consider existing staff or 2nd careerists who will have more maturity and life experience. But also remember that the development path is flexible. If your apprentice is young, why not start with the Administrator apprenticeship and then progress to Mortgage Adviser or Paraplanner, before ultimately achieving their diploma qualifications in order to become a financial adviser. A huge amount of invaluable technical expertise can be gained in a (back office) paraplanner role, which can either be a career in itself or an excellent stepping stone to a client facing role at a later stage.
I have heard that the service offered by training providers is very varied	Review the CII website where you can find CII accredited training providers as well as other useful information about what apprenticeships they offer. You should therefore be able to find a provider that has proven credentials – ask for case studies or references to help you make the right choice.
If I train up my staff into a paraplanner or financial adviser, they will become very attractive and likely to be poached as the market is so competitive - all my time and effort will be lost.	This is an age old conundrum, but ultimately you have to trust yourself to provide the right environment and opportunity to retain your staff. There is a lot of anecdotal evidence that says that apprentices are extremely loyal and really value the opportunities given to them. If you invest in their future, there is every opportunity they will develop their long term career with you so that both they and your business can benefit from their development.

Myth Busters: Apprenticeships have been around for a while, so what is different?

Myth	Fact
Apprenticeships are for traditional 'trades'	There are now a very wide range of 'professions' that are served by apprenticeships. For example, you can now become a Lawyer through an apprenticeship scheme.
Apprenticeships are for school leavers	You can now develop new or existing staff from ages 16-65 using apprenticeship schemes. Many businesses are now considering apprenticeships to attract and develop 2nd careerists.
Apprenticeships are for entry level qualifications	There are apprenticeship schemes available from GCSE level to Degree and Masters level depending on the employer's needs.
Apprenticeships are too generic for financial planning	There are now four new specialist financial planning apprenticeships. These have been designed by financial planning firms so they are fit for purpose.
Apprentices are low paid, for example minimum wage	You should decide on the package for your apprentice as you would for any recruit (i.e. consider the role you are recruiting for, experience and qualifications required and your local market competitiveness) in order to find a candidate capable of passing their professional qualifications and progressing successfully through the apprenticeship scheme.