



Learning Outcome

Assessment Criteria

Indicative Content

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|-----------------------------|---|-----|--|--|--|--|
| 1 6 Standard Format | Understand the UK financial services industry in its European and global context. | 1.1 | Describe the role, structure and context of the UK and international financial services markets. | 1.1 | Purpose and structure of the UK and international markets and the key participants. | |
| | | 1.2 | Explain the function and operation of financial services within the economy. | 1.2 | Function and operation of financial services within the wider economy. | |
| | | 1.3 | Describe the role of government and the impact of the EU on UK regulation. | 1.3.1 | Impact of the EU on UK regulation. | |
| 1.3.2 | Role of government – economic policy, regulation, taxation and social welfare. | | | | | |
| 2 12 Standard Format | Understand how the retail consumer is served by the financial services industry. | 2.1 | Explain the obligations that the financial services industry has towards consumers. | 2.1 | Obligations towards consumers and the impact on consumers' perception of financial services. | |
| | | 2.2 | Explain consumers' main financial needs and how these may be prioritised and met. | Consumers' main financial needs and how they are prioritised: | | |
| | | | | 2.2.1.1 | Managing debt. | |
| | | | | 2.2.1.2 | Budgeting and borrowing, including house purchase. | |
| | | | | 2.2.1.3 | Protection. | |
| | | | | 2.2.1.4 | Saving and investing. | |
| | | | | 2.2.1.5 | Retirement. | |
| | | | | 2.2.1.6 | Estate planning and tax planning. | |
| | | | | How these needs are met: | | |
| | | | | 2.2.2.1 | Mortgages and loans. | |
| 2.2.2.2 | Life and health insurance. | | | | | |
| 2.2.2.3 | Savings and investments. | | | | | |
| 2.2.2.4 | State benefits. | | | | | |
| 2.2.2.5 | Pension provision. | | | | | |



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| 3 9 Standard Format | Understand the legal concepts and considerations relevant to financial advice. | 3.1 | Explain the concepts of legal persons, powers of attorney, law of contract and agency, and ownership of property. | 3.1.1 | Legal persons and powers of attorney. |
| | | | | 3.1.2 | Basic law of contract and agency. |
| | | | | 3.1.3 | Ownership of property. |
| | | 3.1 | Explain relevant laws governing insolvency and bankruptcy. | 3.2 | Insolvency and bankruptcy. |
| | | 3.3 | Explain relevant laws governing wills, intestacy and trusts. | 3.3.1 | Wills and intestacy. |
| | | | | Use of trusts: | |
| | | | | 3.3.2.1 | Main types of trusts and their uses. |
| | | 3.3.2.2 | How to create and administer trusts for holding life policies and investments. | | |
| 4 6 Standard Format | Understand the regulation of financial services. | 4.1 | Examine the role of the PRA, FCA, HM Treasury and the Bank of England in regulating the market. | 4.1 | Role of the Financial Conduct Authority (FCA), Prudential Regulation Authority (PRA), HM Treasury and the Bank of England – Financial Policy Committee (FPC), market regulation. |
| | | | | 4.2.1 | Examine the role of other regulatory bodies and sources of additional oversight. |
| | | 4.2.2 | Additional oversight – senior management, trustees, auditors, external compliance support services. | | |
| | | 4.3 | Examine the statutory framework of regulation including the role of EU regulation and key directives. | 4.3.1 | Financial Services and Markets Act (FSMA) 2000, Financial Services Act 2012 and other relevant legislation. |
| | | | | 4.3.2 | Role of EU legislation and other relevant EU Directives. |



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| 5 29 Standard Format | Understand the financial regulators' responsibilities and approach to regulation. | 5.1 Explain the financial regulators' statutory objectives and how they are structured to achieve these objectives. | Statutory objectives of the financial regulators and how the FCA and PRA are structured to achieve these: <table border="1" data-bbox="1144 292 2101 440"> <tr> <td>5.1.1</td> <td>Powers, activities and operational objectives of the FCA and PRA.</td> </tr> <tr> <td>5.1.2</td> <td>Financial stability, conduct and prudential regulation.</td> </tr> <tr> <td>5.1.3</td> <td>Powers to deal with financial crime.</td> </tr> <tr> <td>5.1.4</td> <td>Consumer protection.</td> </tr> </table> | 5.1.1 | Powers, activities and operational objectives of the FCA and PRA. | 5.1.2 | Financial stability, conduct and prudential regulation. | 5.1.3 | Powers to deal with financial crime. | 5.1.4 | Consumer protection. | | | | |
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| | | 5.1.4 | Consumer protection. | | | | | | | | | | | | |
| | | 5.2 Explain the main principles and rules of the PRA and FCA. | PRA and FCA - the main principles and rules: <table border="1" data-bbox="1144 480 2101 735"> <tr> <td>5.2.1.1</td> <td>The High Level Standards, training and competence and qualifications.</td> </tr> <tr> <td>5.2.1.2</td> <td>Prudential Standards.</td> </tr> <tr> <td></td> <td>Business Standards.</td> </tr> <tr> <td>5.2.2.1</td> <td>Conduct of Business (COBS).</td> </tr> <tr> <td>5.2.2.2</td> <td>Rules for dealing with client assets (CASS).</td> </tr> <tr> <td>5.2.2.3</td> <td>Market Conduct code (MAR).</td> </tr> </table> | 5.2.1.1 | The High Level Standards, training and competence and qualifications. | 5.2.1.2 | Prudential Standards. | | Business Standards. | 5.2.2.1 | Conduct of Business (COBS). | 5.2.2.2 | Rules for dealing with client assets (CASS). | 5.2.2.3 | Market Conduct code (MAR). |
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| 5.2.2.3 | Market Conduct code (MAR). | | | | | | | | | | | | | | |
| 5.3 Explain the approach to risk based supervision, discipline and enforcement, and sanctions to deal with criminal activities. | Regulatory Processes: <table border="1" data-bbox="1144 775 2101 954"> <tr> <td>5.2.3</td> <td>Senior Managers & Certification Regime, authorisation, supervision appointed representatives and senior managers/certificated persons (APER) or Code of Conduct (COCON), as appropriate.</td> </tr> <tr> <td>5.3</td> <td>Risk based supervision, discipline and enforcement, sanctions to deal with criminal activities, rules, guidance and communications.</td> </tr> </table> | 5.2.3 | Senior Managers & Certification Regime, authorisation, supervision appointed representatives and senior managers/certificated persons (APER) or Code of Conduct (COCON), as appropriate. | 5.3 | Risk based supervision, discipline and enforcement, sanctions to deal with criminal activities, rules, guidance and communications. | | | | | | | | | | |
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| 6 4 Standard Format (Analytical) 5 Multiple response | Apply the principles and rules as set out in the regulatory framework. | 6.1 Apply the FCA's and PRA's regulatory principles and rules. | <table border="1" data-bbox="1144 962 2101 1106"> <tr> <td>6.1.1</td> <td>Regulated activities and authorisation requirements.</td> </tr> <tr> <td>6.1.2</td> <td>Approved person and controlled function responsibilities.</td> </tr> <tr> <td>6.1.3</td> <td>Professionalism and the training and competence requirements.</td> </tr> <tr> <td>6.1.4</td> <td>The fair treatment of customers and conduct risk.</td> </tr> </table> | 6.1.1 | Regulated activities and authorisation requirements. | 6.1.2 | Approved person and controlled function responsibilities. | 6.1.3 | Professionalism and the training and competence requirements. | 6.1.4 | The fair treatment of customers and conduct risk. | | | | |
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| | | 6.1.4 | The fair treatment of customers and conduct risk. | | | | | | | | | | | | |
| | | 6.2 Apply current anti-money laundering, proceeds of crime and data protection obligations. | <table border="1" data-bbox="1144 1114 2101 1257"> <tr> <td>6.2.1</td> <td>Record keeping, reporting and notification requirements.</td> </tr> <tr> <td>6.2.2</td> <td>Complaints procedures and responsibilities to customers.</td> </tr> <tr> <td>6.2.3</td> <td>Anti-money laundering and proceeds of crime obligations.</td> </tr> <tr> <td>6.2.4</td> <td>Data protection and data security.</td> </tr> </table> | 6.2.1 | Record keeping, reporting and notification requirements. | 6.2.2 | Complaints procedures and responsibilities to customers. | 6.2.3 | Anti-money laundering and proceeds of crime obligations. | 6.2.4 | Data protection and data security. | | | | |
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| | | 6.2.3 | Anti-money laundering and proceeds of crime obligations. | | | | | | | | | | | | |
| | | 6.2.4 | Data protection and data security. | | | | | | | | | | | | |
| | | 6.3 Apply the rules of relevant dispute resolution and compensation schemes. | <table border="1" data-bbox="1144 1265 2101 1441"> <tr> <td>6.3.1</td> <td>Financial Ombudsman Service (FOS).</td> </tr> <tr> <td>6.3.2</td> <td>Financial Services Compensation Scheme (FSCS).</td> </tr> <tr> <td>6.3.3</td> <td>The Pensions Ombudsman.</td> </tr> <tr> <td>6.3.4</td> <td>MoneyHelper.</td> </tr> <tr> <td>6.3.5</td> <td>The Pension Protection Fund.</td> </tr> </table> | 6.3.1 | Financial Ombudsman Service (FOS). | 6.3.2 | Financial Services Compensation Scheme (FSCS). | 6.3.3 | The Pensions Ombudsman. | 6.3.4 | MoneyHelper. | 6.3.5 | The Pension Protection Fund. | | |
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| 7 5 Standard Format (Analytical) 8 Multiple response | Apply the regulatory advice framework to ensure fair outcomes in practice for the consumer. | 7.1 Apply adviser responsibilities in terms of client relationships, regulated advice standards, and positive customer outcomes. | Client relationships and adviser responsibilities: | | |
| | | | 7.1.1.1 | Types of clients. | |
| | | | 7.1.1.2 | Fiduciary relationship – duty of care, confidentiality, primacy of clients’ interests. | |
| | | | 7.1.1.3 | Clarity of service provision and charges, status disclosure including client agreements, execution only clients, insistent clients and restricted advice. | |
| | | | 7.1.1.4 | Limitations to advisers’ own authority or expertise, referrals to and relationships with relevant specialists. | |
| | | | 7.1.1.5 | Clients’ cancellation rights. | |
| | | | 7.1.1.6 | Positive customer outcomes, including vulnerable clients. | |
| | | | 7.1.1.7 | Adviser charging rules. | |
| | | 7.1.2 | Regulated advice standards. | | |
| | | | | 7.2 Monitor and review client plans and circumstances. | 7.2.1 |
| 7.2.2 | Due diligence on products / tools. | | | | |
| 8 4 Standard Format | Understand the range of skills required when advising clients. | 8.1 Examine the range of skills required when advising clients. | 8.1.1 | Communicating clearly, assessing and adapting to the differing capabilities of clients. | |
| | | | 8.1.2 | Gathering information, assessment and analysis of clients’ needs, goals and circumstances, reaching conclusions and making appropriate recommendations. | |
| | | | 8.1.3 | Dealing with insistent clients. | |



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|-----------------------------|---|---------------------|--|--------------------|---|
| 9 7 Standard Format | Understand the financial regulators' use of principles and outcomes based regulation to promote ethical and fair outcomes. | 9.1 | Examine the Financial Conduct Authority's Principles for Businesses and the obligations these place on firms. | 9.1 | The Principles for Businesses and the obligations these place on firms. |
| | | 9.1 | Examine the impact of corporate culture and leadership. | 9.2 | Corporate culture and leadership. |
| | | 9.3 | Examine the responsibilities of those under the Senior Managers and Certification Regime (SM&CR) and the need for integrity, competence and fair outcomes for clients. | 9.3 | Responsibilities that rest with Approved Persons and those under the Senior Managers and Certification Regime (SM&CR) and the need for integrity, competence and fair outcomes for clients, including dealing with conflicts of interest. |
| 10 2 Standard Format | Apply the Code of Ethics and professional standards to business behaviours of individuals. | 10.1 | Apply the professional principles and values of ethical, inclusive and sustainable advice. | 10.1.1 | An over-arching Code of Ethics or conduct and act in accordance with the professional principles and values on which the Code is based. |
| | | | | 10.1.2 | The statements of principle and code of Practice for Approved Persons (APER) and senior managers. |
| | | | | 10.1.3 | Embedding ethics (including core ethical theories) and the different codes of ethics that apply. |
| | | | | 10.1.4 | The Bribery Act. |
| | | | | 10.1.5 | CSR and stakeholder relationships. |
| | | | | 10.1.6 | The relationship between ethical principles, the development of regulatory standards and professional codes of conduct. |
| | | 10.2 | Identify ethical dilemmas and apply the steps involved in managing ethical dilemmas. | 10.2.1 | Identifying ethical dilemmas. |
| 10.2.2 | The steps involved in managing and resolving ethical dilemmas, including the application of behaviours that reflect professional integrity. | | | | |

R01 Financial services, regulation & ethics 2021/2022



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| 11 3 Standard Format | Critically evaluate the outcomes that distinguish between ethical and compliance driven behaviours. | 11.1 | Evaluate the indicators of ethical behaviour and of limiting behaviour to compliance within the rules. | 11.1 | The differences between ethical values, qualities and behaviours in professional practice contrasted with unethical or unprofessional practice. |
| | | 11.2 | Critically evaluate the outcomes that distinguish between ethical and compliant behaviours. | 11.2.1 | The outcomes which may result from behaving ethically and unethically – for the industry, the firm, individual advisers and consumers. |
| | | | | 11.2.2 | The outcomes which may result from limiting behaviour to compliance with the rules – for the industry, firm, individual advisers and consumers. |
| | | | | 11.2.3 | The impact on the culture of a firm when applying an ethical approach and acting with integrity within an organisation or team environment. |