



# Wrap and platform services

## Purpose

At the end of this unit, candidates should be able to demonstrate an understanding of:

- the use of platforms in providing financial services;
- the legal and regulatory issues specific to using platform services;
- the suitability of platforms in meeting clients' requirements;
- the corporate wrap proposition.

## Summary of learning outcomes

1. Explain the use of platforms in providing financial planning services;
2. Explain the regulatory and legal context of platforms;
3. Explain the charging structures and costs for using platforms;
4. Assess the appropriateness and operation of platforms in meeting client requirements;
5. Explain the workplace platform proposition for pensions and other financial products and services.

## Important notes

- This syllabus will be examined in the October 2018 and April 2019 sessions.
- Candidates will be examined on the basis of English Law and practice in the year 2018/2019 unless otherwise stated.
- The general rule is that exams are based on the English legislative position three months before the date of the exams.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
  1. Visit [www.cii.co.uk/updates](http://www.cii.co.uk/updates)
  2. Select the appropriate qualification
  3. Select your unit on the right hand side of the page

- 1. Explain the use of platforms in providing financial planning services**
  - 1.1 Explain the appropriate use of platforms in the investment or financial advice process:
    - Initial advice;
    - On-going advice, including annual reviews.
  - 1.2 Explain the use of different investment related tax wrappers and products on platforms as part of the financial planning process;
  - 1.3 Explain the use of different retirement related tax wrappers and products on platforms as part of the financial planning process;
  - 1.4 Explain the role of technology in the platform market, including re-platforming and the use of technology providers;
  - 1.5 Explain the role of platforms in the overall customer proposition, including non-advised and direct to consumer.
- 2. Explain the regulatory and legal context of platforms**
  - 2.1 Describe the main regulation and consumer protection associated with platforms;
  - 2.2 Explain the main risks associated with platforms and how to mitigate them;
  - 2.3 Explain the main legal issues related to providing platform services to customers.
- 3. Explain the charging structures and costs for using platforms**
  - 3.1 Explain the charges for using platforms and their implications:
    - Platform charges and costs;
    - Adviser charges and costs;
    - Product charges and costs including unit and share classes.
- 4. Assess the appropriateness and operation of platforms in meeting client requirements**
  - 4.1 Assess the appropriateness of platform solutions for clients taking into account any of the following considerations:
    - Suitability;
    - Risk;
    - Due diligence.
  - 4.2 Assess the main issues of operating platforms across any of the following key functions:
    - Holding different asset classes and types of investments;
    - Buying, selling and switching;
    - Re-registration;
    - Ongoing reporting and administration for customers and providers;
    - Cash accounts;
  - 4.3 Assess the use of platform tools, taking into account any of the following:
    - The range of available tools;
    - Re-balancing;
    - The main risks.
- 5. Explain the workplace platform proposition for pensions and other financial products and services**
  - 5.1 Explain the key features of workplace platforms across any of the following:
    - Corporate pensions;
    - Other financial products and services;
    - Ancillary applications in respect of employer auto-enrolment and employee flexible benefits.

## Reading list

The following list provides details of additional resources which may assist you with your studies.

**Note: The examination will test the syllabus alone.**

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

CII/PFS members can access most of the additional study materials below via the Knowledge Services webpage at [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge).

New resources are added frequently - for information about obtaining a copy of an article or book chapter, book loans, or help finding resources, please go to [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge) or email [knowledge@cii.co.uk](mailto:knowledge@cii.co.uk).

### CII study texts

Wrap and platform services. London: CII. Study text J11.

### Books

The Financial Times guide to investing. 3rd edition. Glen Arnold. FT Prentice Hall, 2014.

### Reference materials

Harriman's financial dictionary: over 2,600 essential financial terms. Edited by Simon Briscoe and Jane Fuller. Petersfield: Harriman House, 2007.\*

International dictionary of banking and finance. John Clark. Hoboken, New Jersey: Routledge, 2005.\*

Lamont's financial glossary: the definitive plain English money and investment dictionary. Barclay W Lamont. 10th ed. London: Taxbriefs, 2009.

\* Also available as an ebook through Discovery via [www.cii.co.uk/discovery](http://www.cii.co.uk/discovery) (CII/PFS members only).

### Journals and magazines

Financial adviser. London: FT Business. Weekly. Available online at [www.ftadviser.com](http://www.ftadviser.com).

Investment adviser. London: Financial Times Business. Weekly. Available via [www.ftadviser.com](http://www.ftadviser.com).

Investor's chronicle. London: Financial Times Business. Weekly. Available at [www.investorschronicle.co.uk](http://www.investorschronicle.co.uk).

Investment week. London: Incisive Financial Publishing. Weekly. Available online via [www.investmentweek.co.uk](http://www.investmentweek.co.uk).

Money management. London: FT Business. Monthly. Available online [www.ftadviser.com/brand/money-management](http://www.ftadviser.com/brand/money-management).

Personal finance professional (previously Financial solutions). London: CII. Six issues a year. Available online at [www.thepfs.org/financial-solutions-archive](http://www.thepfs.org/financial-solutions-archive) (CII/PFS members only).

Further articles and technical bulletins are available at [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge) (CII/PFS members only).

## Examination guides

Guides are produced for each sitting of written answer examinations. These include the exam questions, examiners' comments on candidates' performance and key points for inclusion in answers.

You are strongly advised to study guides from the last two sittings. Please visit [www.cii.co.uk](http://www.cii.co.uk) to buy online or contact CII Customer Service for further information on +44 (0)20 8989 8464.

Alternatively, if you have a current study text enrolment, the latest exam guides are available via [www.revisionmate.com](http://www.revisionmate.com).

Older guides are available via [www.cii.co.uk/past-exam-guides](http://www.cii.co.uk/past-exam-guides) (CII/PFS members only).

## Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.

The Insurance Institute of London holds a lecture on revision techniques for CII exams approximately three times a year. The slides from their most recent lectures can be found at [www.cii.co.uk/iilrevision](http://www.cii.co.uk/iilrevision) (CII/PFS members only).