

# 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 2017 and April 2018 sessions.
- Candidates will be examined on the basis of English Law and practice in the year 2017/2018 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 tax wrappers and products on platforms as part of the financial planning process:
- Investment related products;
  - Retirement related products.
- 1.3 Explain the roles of platforms and technology in the overall provider and customer proposition.

## **2. Explain the regulatory and legal context of platforms**

- 2.1 Describe the main regulation and consumer protection associated with platforms and their use;
- 2.2 Explain the main risks associated with platforms and their mitigation through regulation;
- 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;
  - Unit and share classes, and other charges and costs.

## **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;
  - Financial planning tools;
  - 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;
  - Re-balancing.

## **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 various publications 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 publications will help you keep up-to-date with developments and will provide a wider coverage of syllabus topics.

CII/PFS members can borrow most of the additional study materials below from Knowledge Services. CII study texts can be consulted from within the library.

New materials are added frequently - for information about new releases and lending service, 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

Dictionary of banking and finance. P H Collin. A&C Black, 2005.\*

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

Lamont's glossary: the definitive plain English money and investment dictionary. Barclay W Lamont. 10th ed. London: Taxbriefs, 2009. Also available online via [www.cii.co.uk/lamont](http://www.cii.co.uk/lamont) (CII/PFS members only).

\*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. Also available online at [www.ftadviser.com](http://www.ftadviser.com).

Personal finance professional (previously Financial solutions). London: CII. Six issues a year. Also available at [www.thepfs.org/knowledge](http://www.thepfs.org/knowledge) (CII/PFS members only).

Society. Six issues a year. Available online via [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge) (CII/PFS members only).  
Financial Times. London: Financial Times. Daily. Also available online at [www.ft.com](http://www.ft.com).

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

Investor's chronicle. London: Financial Times Business. Weekly. Also available at [www.investorchronicle.co.uk](http://www.investorchronicle.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. Also available via [www.ftadviser.com](http://www.ftadviser.com).

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/pastexamguides](http://www.cii.co.uk/pastexamguides) (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).