|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| OBSERVATION / ROLE PLAY RECORD | | | | | | | | | | | | |
| Name of Adviser: |  | | | | | | | | | | | |
| Name of Assessor: |  | | | | | | | | | | | |
| Role-play / (delete as appropriate) | |  | | Live Interview: | | | | | | |  | |
| Client: | |  | | | | | | | | | | |
| Date of Observation: |  | | | | | | | | | | | |
| Advice Area for this observation | | | Introduction: | |  | Fact Find: |  | Recommendation: |  | Review: | |  |

NOTE: This is a composite form comprising the main advice processes. It is not anticipated that an observation / role play will comprise each section. Please delete just note the area being observed at the top of the form and then ignore the sections not applicable.

**Supervisor pre-observation briefing: Objective for the observation and/or areas of particular development to be evidenced.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Overall performance of this observation was** | | | | | |
| Not Competent (NC) |  | Competent (C) |  | Competent with Development Needs (CDN) |  |

|  |
| --- |
| **Supervisor post observation feedback, action points to carry forward with proposed re-convening date** |
|  |

|  |
| --- |
| **The Observation**  (note – this is a composite form – in practice an observation will comprise a single issue – whatever Is not relevant should be struck through) |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Area:** | **Introduction** | C |  | CDN |  | N/C |  |

|  |  |
| --- | --- |
| To be Competent the adviser must adequately | * explain who he/she is. * the name of the firm he/she works for. * disclose the relevant contact details for the client. |
| Adviser Competent with Development Needs - explain |  |
| Not Competent - explain |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Area:** | **Terms of Business** (or Client Agreement) –adviser to understand the role of the document) | C |  | CDN |  | N/C |  |

|  |  |
| --- | --- |
| To be Competent the adviser must adequately explain | * the terms of business letter and its purpose. * the Data Protection Act and how the firm will deal with records (Privacy) * the firm’s complaint procedure including the role of FOS / FSCS * the service (including independent status) / charging structure and when each commitment is made |
| Adviser Competent with Development Needs - explain |  |
| Not Competent - explain |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Area:** | **Fact Find including risk profiling** | C |  | CDN |  | N/C |  |

|  |  |
| --- | --- |
| To be Competent the adviser must adequately | * complete all sections of the FF or mark irrelevant areas as such. (Non disclosure by the client would   indicate a skill failure).   * establish the client’s income & expenditure and agree an appropriate budget for discussion. * establish the availability and level of an emergency fund (EF). * offer full advice now or the expectation of it in the future. * get the form signed if this is a procedural requirement, or confirm a copy will be sent to the client, if not * confirm a summary of the client’s agreed objectives and if necessary priorities (scheme of work). * Present a cashflow (if required) showing how objectives are met, including what if options of which one should be a financial catastrophe * obtain an authority form to facilitate the confirmation of existing plan details * Identify key soft facts such as health, job security, retirement plans, significant future capex etc. * explain risk & reward. * explain the cycle of attitude, need and capacity for loss and how they work together * establish the client’s understanding of risk making reference to knowledge and experience. * confirm the customers understanding and handle any queries. * ascertain the degree of risk the client is willing (attitude to risk), able (capacity for loss) and needs to take * where a requirement, use cash flows to demonstrate the above criteria. |
| Supervisor feedback |  |
| Development needs if any |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Area:** | **Presentation** (it is good business practice for the suitability letter to be delivered either prior to this interview, or at it – the presentation may be a discussion of the suitability letter) | C |  | CDN |  | N/C |  |

|  |  |
| --- | --- |
| To be Competent the adviser must adequately present | * an illustration to the client and cover all key points including.   + - *Yes / No* Premium.     - *Yes / No* Benefits.     - *Yes / No* Fund Recommended, linking with the agreed client risk appetite.     - *Yes / No* Plan Charges.     - *Yes / No* Adviser fees. * a suitability letter to the client and cover   + the clients’ objectives.   + the results of any analysis that has resulted in a recommendation, including the recommendation itself.   + the reasons for the recommendations, linking to the objectives.   + he risks of the recommendation   + technical and legislative aspects with the product(s) recommended. * deal with the client’s queries / questions competently. * summarise the agreed plan and confirm understanding. * confirm the process that will take place post advice, including post transaction service. * confirm the cooling off process. |
| Supervisor feedback |  |
| Development needs if any |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Area:** | **Annual review** | C |  | CDN |  | N/C |  |

|  |  |
| --- | --- |
| To be Competent the adviser must adequately discuss | Circumstances updated |
| Financial goals and objectives updated |
| Strategic review of latest financial plan (cash flow) undertaken with updates where necessary |
| Review of investments & action plan: changes to investment strategy identified where appropriate |
| Review of protection cover undertaken & action plan agreed |
| Risk profile reviewed: any changes to attitude to risk / capacity for loss identified and agreed – tied back to investment strategy |
| Debt review considered if relevant – capacity to service and repay debt agreed – consideration of appropriateness of debt products given |
| Taxation matters considered: ISA, CGT, Pension, Income Tax |
| Retirement planning & income review undertaken including funding for needs – tying it back to cash flow |
| Estate planning review undertaken: any changes to estate planning / IHT strategy identified and actions agreed including matters such as LOAs and Wills |
| Aggregate costs and charges disclosed |
| Supervisor feedback |  |
| Development needs if any |  |

Signed (Observer) ­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Dated:

Name:

Signed (Adviser) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Dated:

Name: