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| **2** | **Analyse client information to establish life, disability, and Health insurance needs** |

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| **Kaupae |** Level | 5 |
| **Whiwhinga |** Credit | 5 or 10 |
| **Whāinga |** Purpose | The purpose of this skill standard is for people who want to work as a financial adviser in the provision of life, disability, and health insurance advice services.  This skill standard will provide learners with the knowledge and skills to analyse client information to establish life, disability and health insurance needs.  This skill standard has been developed primarily for the assessment within programmes leading to the New Zealand Certificate in Financial Services (Level 5) with strand in Life, Disability, and Health Insurance. |

**Hua o te ako me Paearu aromatawai |** Learning outcomes and assessment criteria

| **Hua o te ako |** Learning outcomes | **Paearu aromatawai |** Assessment criteria |
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| 1. Develop an understanding of client’s situation. | 1. Collect quantitative and qualitative information to determine where the client is in the client’s life cycle and their circumstances that would impact insurance needs or limitations of cover and identify client needs. |
| 1. Identify and determine risk tolerance and risk appetite of the client. |
| 1. Identify gaps in information collected from the client that is necessary for insurance needs. |
| 1. Analyse client information to determine potential impacts on life, disability and health insurance needs. | 1. Analyse and forecast financial risk of the client in terms of the information collected from the client. |
| b. Analyse any existing client insurances in line with meeting identified client needs. |
| c. Analyse client information to determine need for consultation for further assistance with other specialists. |
| 1. Communicate with client and guide the client through the service. | 1. Consult and guide the client through the process of collecting information and seek any further information to build understanding of the client. |

**Pārongo aromatawai me te taumata paearu |** Assessment information and grade criteria

*Assessment specifications:*

Assessment should use real or realistic documentation where appropriate. Simulated examples are permitted.

Learners are not expected to use tools and systems that are only available if they are available to a licenced financial advice provider or having a licence to use.

Any use of digital advice tools or artificial intelligence will need to be used in accordance with relevant organisational and industry codes of conduct and practice.

All activities must comply with legislation, regulations, and best practice, including any guidance notes published by the agency responsible for the relevant enactment or code.

*Client* also includes potential clients. Clients may include Trust, business, individual or a purchaser of insurance.

*Client* is intentionally broad to capture all types and include, individuals, partnerships, businesses, families, companies, trusts, charities, organisations, body corporates, and associations as current examples.

*Client insurances* may also be referred to as programme, policy, portfolio, contract.

***Ngā momo whiwhinga |*** *Grades available*

Achieved

**Ihirangi waitohu |** Indicative content

Client’s personal circumstances

* relationship status
* family structure
* age
* dependents
* occupation/s
* employment status (employed/self-employed)
* lifestyle
* earned incomes and passive incomes
* household expenses
* net surplus income
* debt/liabilities
* assets
* net wealth
* estate planning.

Tools for risk profiling

* current life cycle
* financial position
* expenditure of client and surplus income
* propensity to save
* client’s expectations for retirement.

Event risks

* related to lifestyle

Analyse any existing client insurances in line with meeting identified client needs

* gaps in cover
* suitability of existing insurances
* possibility of ability to cover gap.

Analyse information to determine need for specialist consultation

* legal
* accounting
* other financial advisers.

**Rauemi |** Resources

* [Code of Professional Conduct for Financial Advice Services](https://financialadvicecode.govt.nz/wp-content/uploads/2021/03/codeofprofessionalconduct-march2021.pdf)
* Consumer Guarantees Act 1993
* Contracts of Insurance Act 2024
* Contracts of Insurance (Repeals and Amendments) Act 2024
* Customer vulnerability and expectations for providers - [CustomerVulnerability-ourexpectationsforproviders.pdf (fma.govt.nz)](https://www.fma.govt.nz/assets/Reports/CustomerVulnerability-ourexpectationsforproviders.pdf)
* Fair Trading Act 1986
* [Financial Markets Authority - Developing cyber resilience for financial advice providers (July 2024)](https://www.fma.govt.nz/assets/Information-sheets/Developing-cyber-resilience-for-financial-advice-providers.pdf)
* Financial Markets Authority- [Understanding Artificial Intelligence in Financial Services (July 2024)](https://www.fma.govt.nz/assets/Research/Understanding-Artificial-Intelligence-in-Financial-Services.pdf) by Mikayla Pakinga-Lawson, Amie White, Stuart Johnson
* Financial Markets Conduct Act 2013
* Financial Service Providers (Registration and Dispute Resolution) Act 2008
* Financial Services Legislation Amendment Act 2019
* Insurance Intermediaries Act 1994
* Insurance Law Reform Act 1977
* Insurance Law Reform Act 1985
* ISO 22222:2005 Personal Financial Planning – Requirements for personal financial planners, available from <https://www.iso.org>
* Life Insurance Act 1908
* Privacy Act 2020
* Relevant industry codes of conduct;

and their subsequent amendments or replacements.

**Pārongo Whakaū Kounga |** Quality assurance information

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| **Ngā rōpū whakatau-paerewa |** Standard Setting Body | Ringa Hora Services Workforce Development Council |
| **Whakaritenga Rārangi Paetae Aromatawai |** DASS classification | Service Sector> Financial Services> Professional Practice |
| **Ko te tohutoro ki ngā Whakaritenga i te Whakamanatanga me te Whakaōritenga |** CMR | 0003 |

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| **Hātepe |** Process | **Putanga |** Version | **Rā whakaputa |** ReviewDate | **Rā whakamutunga mō te aromatawai |** Last date for assessment |
| **Rēhitatanga |** Registration | 1 | [dd mm yyyy] | [dd mm yyyy] |
| **Kōrero whakakapinga |** Replacement information | This skill standard would replace 31866. | | |
| **Rā arotake |** Planned review date | 2030 | | |

Please contact Ringa Hora Services Workforce Development Council at [qualifications@ringahora.nz](mailto:qualifications@ringahora.nz) to suggest changes to the content of this skill standard.