

RDR qualifications update met with mixed reaction

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The Financial Services Authority (FSA) is being criticised over its decision to delay qualifications which will be 'Retail Distribution Review (RDR) compliant' until mid-2010.

In an announcement earlier today (6 March), the FSA revealed it is to launch a consultation in June on the proposed QCA level 4 qualification which is set to become the benchmark standard for the industry. ([Read full story.](#))

The consultation is due to be completed in mid-2010, at which time the regulator, alongside the Financial Services Skills Council (FSSC), will define the exact examination requirements.

Colin Parkin, managing director of IFA Ample Financial Services, described the move as "ludicrous" and said the RDR and the qualifications within it were being designed by "idiots".

David Cox, managing director of IFA consultancy firm Suuqea, added: "It's a bit tight. There are a lot of IFA's in the industry who will not have studied for many years and it will be a real challenge for some people to switch on and get into mode of it."

However, the Association of Independent Financial Advisers (Aifa) welcomed the clarification on the qualifications, but called on the FSA to consider partial legacy qualifications, existing examination frameworks and alternatives to examinations in more detail.

Andrew Strange, director of policy at Aifa, said: "Aifa is disappointed with failure to provide further information on alternatives to examinations." But he added that the association was interested to see the FSA develop examples of "possible core subject areas" for the new qualification.

According to the FSA, within the new qualification standards, the core subjects it expects to see include regulation and ethics, investment principles and risk, taxation and personal financial planning, as well as specialisms.

The FSA's commitment to "no regrets", which means advisers who are already working towards additional qualifications or plan to do so before mid-2010 will not see this action wasted, was however, applauded by the Chartered Insurance Institute (CII).

Steve Jenkins, director of financial services at the CII said: "This is a most helpful clarification to those advisers who have already achieved our Diploma in Financial Planning and those currently working towards it.

"These advisers have nothing to fear. This is exactly the statement we wanted."

"Once the FSSC have completed its' work we will make any refinements required."