



Australian Government

Department of Education, Employment and Workplace Relations

FNSPRM601A Establish, supervise and monitor practice systems to conform with legislation and regulations

Release: 1

FNSPRM601A Establish, supervise and monitor practice systems to conform with legislation and regulations

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to establish, supervise and monitor systems to ensure that a practice or unit of business conforms to legislative and regulatory requirements and meets standards defined in professional codes of practice.</p> <p>This unit has application to job roles subject to licensing, legislative, regulatory or certification requirements so the varying Commonwealth, State or Territory requirements should be confirmed with the relevant body.</p>
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Application of the Unit

Application of the unit	<p>This unit requires the application of administrative and organisational skills and may be applied to a professional practice or to a discrete unit of a larger organisation in any sector of the financial services industry.</p> <p>This unit does not cover the skills and knowledge required for meeting Australian Securities and Investments Commission (ASIC) requirements of an individual financial planning licensee or authorised representative.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<p>1. Identify legislation, regulations and codes of practice relevant to the practice</p>	<p>1.1. The scope and services of the practice are matched to legislation, regulations and codes of practice, and compliance issues and procedures are identified</p> <p>1.2. The scope of the practice is matched to compliance issues and relevant compliance procedures are identified</p>
<p>2. Establish and document procedures for compliance of the practice with relevant legislation, regulations and codes of practice</p>	<p>2.1. Key stakeholders are identified and consulted with regard to issues and proposed procedures and guidelines</p> <p>2.2. Compliance issues and procedures are incorporated into the practice guidelines and appropriately documented</p> <p>2.3. Sources of information and advice on legislative and regulatory requirements are identified and documented</p> <p>2.4. Procedures for ensuring currency of information within the practice on its legislative and regulatory requirements and codes of practice are established and documented</p> <p>2.5. Ethical procedures and standards for the interpretation of legislation, regulations and codes of practice are established and incorporated into the practice guidelines</p> <p>2.6. Procedures for monitoring compliance with legislation, regulations and codes of practice within the practice and for outsourced third party providers are established</p>
<p>3. Establish risk management procedures for compliance with legislation and regulations</p>	<p>3.1. A structured and systematic risk management process, which takes into account the practice obligations under the Corporations Act, is established and documented</p> <p>3.2. Risks of non-compliance are identified and documented</p> <p>3.3. Measures to avoid non-compliance and steps to be taken in the event of breaches of obligations are established, documented and communicated to staff</p> <p>3.4. Measures are consistent with ASIC regulations for licensees and authorised representatives</p>
<p>4. Identify and establish appropriate resources for ensuring the practice can meet its legislative and</p>	<p>4.1. Appropriate levels of financial, technological and human resources are identified to meet the practice's legislative and regulatory requirements</p> <p>4.2. Training and assessment procedures are implemented to ensure employees have the skills</p>

ELEMENT	PERFORMANCE CRITERIA
regulatory requirements	needed to comply with legislative and regulatory requirements 4.3. Clear decision making procedures on legislative and regulatory issues are established including identification to employees of licensees, authorised representatives, directors and other staff carrying legislative and regulatory responsibilities 4.4. Information technology systems and other technological resources are established and maintained to the level necessary to enable compliance with legislative and regulatory requirements 4.5. Budgets, requisition procedures, and other internal financial systems clearly identify support for legislative and regulatory functions

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- highly developed communication skills to:
 - determine and confirm financial practice requirements, using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - provide instructions to staff on compliance issues and requirements
 - use language and concepts appropriate to cultural differences
- research skills such as:
 - accessing and managing information
 - interpreting documentation
 - coordinating tasks
- well-developed literacy skills to read and interpret documentation from a variety of sources and recording, gathering and consolidating financial information
- numeracy and IT skills for:
 - accessing and using appropriate software such as spreadsheets and databases
 - using internet information
 - identifying technical requirements to meet compliance obligations
- self-management skills for complying with ethical, legal and procedural requirements
- well-developed learning skills to maintain knowledge of changes to compliance legislation and requirements
- risk management and problem solving skills to identify any compliance or other issues that have the potential to impact on the practice compliance procedures and to develop options to resolve these issues when they arise
- teamwork skills
- project management skills to establish compliance systems and related IT requirements

Required knowledge

- documentation systems including registry and library processes
- financial practice administrative processes and systems
- human resources procedures and training options
- in-depth knowledge of financial professional services including process and products
- office IT systems and software
- professional development options for financial personnel
- relevant acts, regulations, codes of practice and legal resources

REQUIRED SKILLS AND KNOWLEDGE

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| <ul style="list-style-type: none">• risk management techniques and tools |
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Evidence Guide

EVIDENCE GUIDE	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> • identify the relevant legislation, regulations and codes of practice using knowledge of a wide range of available information sources • develop strategies to obtain information not readily available within a practice and assess its accuracy and relevance • assess risks and benefits associated with using legislation and regulation databases and systems against practice requirements to make recommendations • apply cost-benefit analyses to systems and procedures • comply with risk management standards.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment, technology, software and consumables • access to relevant legislation, regulations and codes of practice.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> • evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency • verbal or written questioning on underpinning knowledge and skills • setting and reviewing workplace projects and business simulations/scenarios • evaluating samples of work • accessing and validating third party reports.
Guidance information for assessment	

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<p>Legislation and regulations include all legislation and regulations that apply to a practice providing professional services. This includes but is not limited to:</p>	<ul style="list-style-type: none"> • applicable State or Territory legislation and regulations • ASIC Act and other legislation administered by ASIC • Corporations law • legislation and regulations administered by Australian Prudential Regulation Authority (APRA) • Life Act • occupational health and safety (OHS) legislation • Privacy legislation • superannuation Acts and regulations • Taxation Acts and regulations • Trade Practices Act • Workplace Relations Act, State Industrial Relations Acts, awards and enterprise agreements.
<p>Codes of practice in the finance industry include but are not limited to those relating to:</p>	<ul style="list-style-type: none"> • accountants • financial advisers • practice managers.
<p>Key stakeholders may include:</p>	<ul style="list-style-type: none"> • those who need to authorise procedures and guidelines and those who are key to implementing them.
<p>Risks are:</p>	<ul style="list-style-type: none"> • managed in compliance with Australian Standard 4360 Risk Management or equivalent.
<p>Human resources may include:</p>	<ul style="list-style-type: none"> • client service representatives • financial planners • general support staff • licensees • para-planners • personal or clerical assistants • specialists • specific skilled personnel <ul style="list-style-type: none"> • account managers • representatives • receptionists.

RANGE STATEMENT	
Training may include:	<ul style="list-style-type: none"> • accredited training delivered by a Registered Training Organisation (RTO) • by industry or common interest groups • external seminars • induction training • in-house <ul style="list-style-type: none"> • structured • unstructured.

Unit Sector(s)

Unit sector	Practice management
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		