



Australian Government

FNSSUP423 Provide knowledge of retirement planning issues when dealing with superannuation clients

Release: 1

FNSSUP423 Provide knowledge of retirement planning issues when dealing with superannuation clients

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 5.0.

Application

This unit describes the skills and knowledge required to provide general advice to clients relating to a range of retirement planning issues.

The unit applies to those who need to keep up-to-date with current issues and requirements relating to retirement, including general financial issues and risk, income streams and annuities, the social security system, aged care facilities, and estate planning.

While this unit entails providing information to clients it does not cover the provision of personal advice and is intended as a general overview of post-retirement planning issues.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant state and territory regulatory authorities to confirm those requirements.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Unit Sector

Superannuation

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Identify and analyse key financial issues relating to retirement	1.1 Research current demographic and financial trends impacting the ageing population 1.2 Analyse implications of adverse financial circumstances that can impact an individual approaching retirement 1.3 Review a range of post-retirement product types and their

ELEMENT	PERFORMANCE CRITERIA
	relationship to managing financial risk 1.4 Identify and analyse regulatory requirements relating to the provision of financial product advice 1.5 Identify sources of general information and guidance relating to financial issues and risks in retirement to provide to client
2. Outline the role and key features of the social security system impacting retirees	2.1 Gather information on aged benefits, payments and services and advise client to contact Centrelink to determine eligibility 2.2 Explain to client how account-based and non-account based income streams and annuities operate within superannuation and other private income streams 2.3 Describe to client the relationships and links between government aged pension and superannuation and other private income streams 2.4 Communicate to client the impacts government benefits can have on an individual's income in retirement
3. Provide general information on aged care options and significance of estate planning to clients, within regulatory limits	3.1 Obtain and provide aged care options to client and explain how sources of further information can be accessed according to regulatory requirements 3.2 Explain the nature and purpose of an estate plan to client 3.3 Outline general information on taxation issues and consequences for dependants of retirement income stream products 3.4 Outline legal requirements and issues relating to wills, powers of attorney, trusts and other estate planning matters to client 3.5 Explain general estate planning and death benefit options

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Learning	- Maintains own knowledge and responsibly shares information gained from experience and research with others - Develops knowledge of and adheres to legal, regulatory and organisational requirements relevant to own work role
Numeracy	Interprets financial information and data
Oral communication	- Uses language and concepts appropriate to audience and purpose to convey and clarify information to a diverse range of clients - Uses questioning and active listening in verbal exchanges to

SKILL	DESCRIPTION
	- determine and confirm requirements - Adapts personal communication style to show respect for the values, beliefs and cultural expectations of others
Reading	Interprets written and numerical information from a range of sources and identifies key information
Initiative and enterprise	Ensures industry and product knowledge is current and is used in compliance with organisational protocols
Self-management	Takes responsibility for tasks and decisions relating to client advice and support that complies with legal and organisational requirements, and identifies when client requires specialist assistance
Technology	Uses the main features and functions of digital tools to access and convey information

Unit Mapping Information

Supersedes and is equivalent to FNSSUP413 Apply knowledge of retirement planning issues when dealing with clients.

Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSSUP423 Provide knowledge of retirement planning issues when dealing with superannuation clients

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- provide information on retirement planning issues when dealing with at least three different superannuation clients; at least two of whom require information on estate planning.

In the course of the above, the candidate must:

- demonstrate currency of key information applicable to retirement planning
- provide information and general advice to clients on issues relating to aged care and retirement options
- explain the general impacts of social security on income in retirement to a client.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- legislative and regulatory requirements relating to the provision of financial advice within the context of retirement planning and superannuation clients
- regulatory requirements relating to aged care facilities that impact on retirement planning
- taxation issues relevant to:
 - estate planning
 - retirement benefits and associated estate planning options
- organisational policies, procedures and requirements relating to providing information to clients
- common methods to interpret and apply financial data
- demographic trends relating to seniors and retirement, including:
 - average life expectancy

- improvements in mortality
- longevity risks to income sources in retirement
- issues relating to consumer behaviour impacting on retirement, including:
 - skills and work
 - expectations and personal preferences and biases
 - cultural issues
 - job prospects for mature age workers
 - budgeting for retirement
- financial risks for retirees, including:
 - longevity and how long money will last
 - market changes, adverse market events, and their timing
 - inflation
 - interest rate changes
 - political risk
- implications of adverse financial circumstances that can impact an individual approaching retirement
- post-retirement product types and their relationship to managing financial risk, including the difference between account-based income streams which depend on investment returns and non-account based income streams which depend on consumer price index (CPI) changes
- aged care residential options, including:
 - retirement villages
 - high and low care nursing homes
 - in-home government support programs
- types of costs, services and eligibility requirements associated with different types of aged care facilities
- eligibility requirements for accessing aged pensions and social security benefits, including:
 - means testing
 - concept of deemed, gross and net actual income
- non-financial issues to be considered when planning for retirement, including:
 - family matters
 - health matters
 - where to live
 - insurance
- estate planning and inheritance, including taxation issues relating to estate planning
- retirement income stream products, including:
 - lump sum payments
 - reversionary pensions to beneficiaries
- purpose and key features of wills, powers of attorney and trusts
- roles and responsibilities of a power of attorney and a trustee.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- organisational equipment, technology, software and consumables
- financial services product information
- organisational policies and procedures, including requirements for handling confidential client information.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>