

Mortgage Adviser Apprenticeship Programme



Access to training and development for mortgage advisers was much more abundant in previous years than it is today. High street banks all ran training programmes, which recruited new advisers to the sector, teaching and coaching them the knowledge, skills and behaviours required for the profession.



The majority of these points of entry to the profession have now disappeared and only a handful of programmes still exist for recruiting unqualified mortgage advisers. We hope that the new apprenticeships regime could be the best option we have had in years to replenish the profession with the next generation of advisers.

An apprenticeship offers 'on the job' training with 'off the job' learning. On the job training is provided by the employer and off the job training provided through a training provider like NMBA and upon completion, the apprentice will have received all the relevant knowledge, skills and behaviours to be a qualified adviser.

NMBA is delighted to now be able to offer apprenticeship training in mortgage advice and be right at the heart of helping to bring new advisers to our sector.

Mortgage Adviser Apprenticeship Programme

The New Model Business Academy

The New Model Business Academy was launched in May 2008 as a not-for-profit organisation, dedicated to the training and development of financial advisers and their support staff. The organisation was originally established to support financial advisers through the transition of the Retail Distribution Review (RDR), but the Academy has now evolved further to become a UK-wide training, development and business support resource for all financial services professionals.

Our experience and track record in financial services training and development has provided us with the expertise to offer national apprenticeship training and we are committed to working closely with financial advice firms and apprentices, to offer an end-to-end training solution for bringing new talent to the advice and related professions.

What is an apprenticeship?

An apprenticeship combines practical on-the-job training with off-the-job learning, which helps people gain valuable knowledge, skills and behaviours to develop their career. Apprenticeships are suitable for those who have recently left full time education and are looking to start a new career, as well as those already working, who want to try something completely different or progress their career and improve their future prospects.

An apprentice could be employed as a cost-effective way to improve the productivity of a business, which could also lead to improved skill and talent for the future of an organisation. Taking on apprentices can lead to higher levels of energy and enthusiasm within a business, improving competitiveness and levels of motivation within the workplace.

There are some basic rules that govern what an apprenticeship is:

- The apprentice must be employed in a real job but could be a new or existing employee
- The apprentice must work towards achieving an approved apprenticeship standard
- The apprenticeship training must last at least 12 months
- The apprentice must spend at least 20% of their time on off-the-job training



New apprenticeship changes

The Government has a vision for 2020 and wants to see an increase in the quality and quantity of apprenticeships delivered throughout the country.

In April 2017, the way in which the Government funds apprenticeships changed. Now, all employers with a pay bill of over £3M need to contribute to an apprenticeship levy, which is a substantial change to the way that apprenticeships have been funded in the past.

Within the new funding system, employers who do not contribute to the levy are also allowed to gain access to apprenticeship funding through 'co-investment'. An employer can choose the most appropriate training for their apprentices, through an approved training provider, as well as select an assessment organisation.

Through co-investment, the Government require non-levy paying employers to make a 5% contribution towards the cost of the apprenticeship training and they will pay the remaining 95%, up to the maximum amount of Government funding available for that particular apprenticeship. There are also some financial incentives for apprentices who are aged between 16 and 18 at outset.

Please note that these new apprenticeship changes are currently only available in England. Discussions are continuing for apprenticeship changes between the government and the Scottish, Welsh and Northern Irish administrations to ensure the new system works for everyone, wherever they are in the UK.

Part of the new changes have also allowed large levy paying organisations to gift their levy monies to non-levy paying employers, such as financial or mortgage advice businesses. NMBA are able to help employers to access this funding from larger product providers, fund managers and lenders to secure funding for one of our apprenticeship schemes.

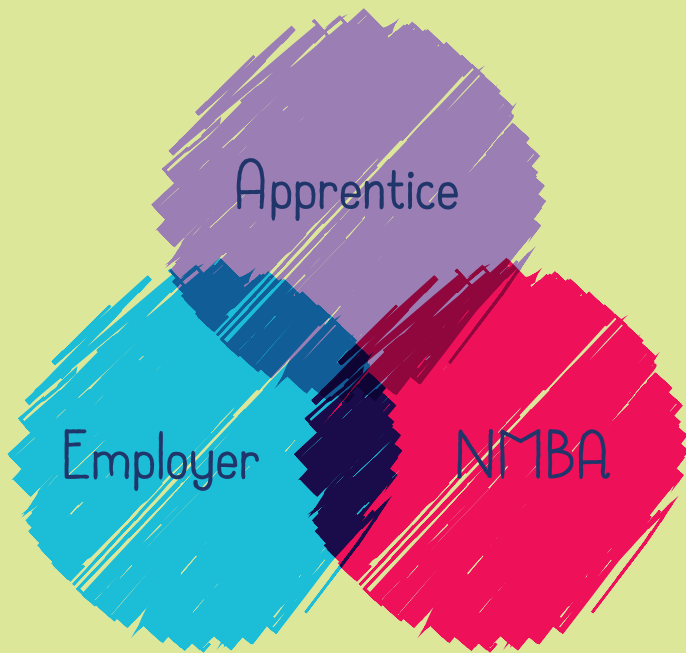
We have demonstrated our capability to deliver apprenticeship training and are listed on the Register of Apprenticeship Training Providers, which provides assurance to government and employers as to our suitability to deliver apprenticeship programmes. The NMBA Apprenticeship Programme can support a range of apprenticeship requirements from recruitment to funding and the delivery of the apprenticeship training. We can also help to appoint an independent assessor and tailor an apprenticeship solution to meet different requirements.



How do apprenticeships work?

Apprenticeships provide a fantastic opportunity to develop a career path in a chosen industry, by combining work-based learning with industry relevant qualifications. The majority of the learning will be within the workplace in a role relevant to the nature of the apprenticeship but will also require an at least 20% to be off-the-job training.

This therefore requires a three-way relationship between the employer, the apprentice and ourselves as the appointed apprenticeship training provider.

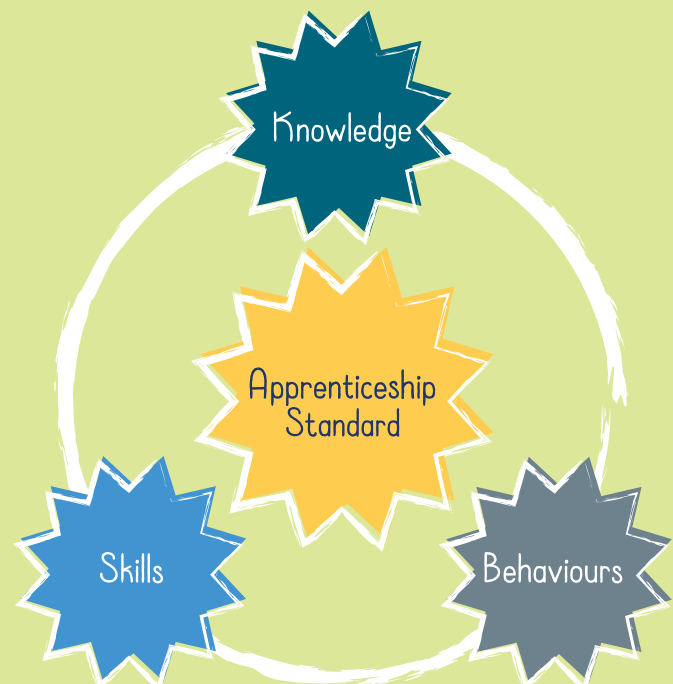


We will aim to build a strong relationship with the employer, and ensure that they are fully equipped to support their apprentice's learning journey. Regular meetings between the three parties will ensure that development plans can be initiated, tailored, monitored and reviewed to maximise success.

Financial services apprenticeships

Within the financial advice sector, the number of advisers has been declining over recent years and this trend is set to continue due to the current age demographics and the limited number of options for entry into the profession. We hope that apprenticeships could provide an excellent opportunity to introduce new people to a career in financial services, as well as develop those already working within the industry.

New apprenticeship 'standards' have been developed by employer groups known as 'trailblazers'. These standards show what an apprentice will be doing and the knowledge, skills and behaviours required by them for a particular role. A number of standards have already been developed within the financial services sector and each of these include an approved assessment plan and funding cap.



NMBA was involved in the trailblazer group for a number of the current standards available and so have close insight to the training, assessment and funding required for each of these particular standards. Although there are a number of approved apprenticeship standards in financial services, our expertise currently focusses on the Mortgage Adviser, Paraplanner and Financial Adviser apprenticeship standards.

The Mortgage Adviser Apprenticeship

The role of a qualified mortgage adviser is to identify and satisfy customer mortgage requirements and associated protection needs, through fully compliant regulated meetings. These meetings can take place in a variety of environments, depending on the type of employer including face-to-face (either in business premises or in a customer's home) or over the telephone. In addition to giving advice on appropriate mortgage products, the mortgage adviser also advises on related protection products including life assurance, critical illness, accident, sickness and unemployment, income protection and buildings and contents insurance.

This apprenticeship offers an ideal entry point for a career in the mortgage advice sector or for potential progression into other Financial Services roles and can attract candidates from various backgrounds with differing skills and experience.

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Entry requirements

- Qualifications – 5 GCSEs A–C Grades (including maths and English)
- Criteria – be a UK citizen or resident in the UK for the past three years
- Age eligibility – aged 16 – 65
- Job role – work for at least 30 hours per week
- Firm – must have a line manager available for the apprentice who performs the same role as the apprenticeship standard, to ensure ongoing coaching and mentoring



Mortgage Adviser – Level 3

- Duration – **15 months**
- Funding band maximum – **£9,000** (this is the total cost for the apprenticeship)
- Cost to employer – **£450 as a non-refundable payment**
- Apprenticeship funding – **NMBA will use its funding allocation for the remaining costs**
- Further incentives are available for apprentices aged 16 to 18
- Apprentices will obtain knowledge, skill and behavioural competencies
- Qualifications – **the apprentice will be required to achieve a level 3 qualification**

Qualifications required

It is a regulatory requirement for mortgage advisers to have to achieve one of the available qualifications specified by the Financial Conduct Authority in order to be authorised in the role of Mortgage Adviser. These are available from a range of professional bodies and are specified in the standard.

By achieving one of the required qualifications through the apprenticeship, professional registration can be achieved by application to the relevant professional body. We have chosen to use the CeMAP qualification from The London Institute of Banking & Finance as they are the leading provider for mortgage qualifications and have qualified over 100,000 mortgage professionals in the last 20 years.

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Apprenticeship assessment

Each apprentice must demonstrate their competence against the defined learning outcomes, through two methods of assessment. Both of these must be passed in order for the apprentice to pass the apprenticeship.

1. Video Recorded Role Play Scenario

The client in the scenario will be role played by a third party with sufficient knowledge of the mortgage sales process to ensure that the scenario description is fully and competently performed. For example, this could be a mortgage administrator or other related role within a firm or an external person supplied by the training provider.

2. A portfolio of work (supported by reflective discussion) completed during the end point assessment stage

The apprentice must compile a portfolio to ensure all learning outcomes have been covered (taking into account those already covered by the role play scenario). This can be from a range of evidence and will include a range of real mortgage cases which will include the different stages a customer has to go through from beginning to end of the mortgage process. Additional types of evidence of the apprentice’s competence may also be included within the portfolio, including other written work, internal compliance audits, project work completed, formal performance reviews or appraisals, CPD log.

Assessment gateway

The decision on whether or not the apprentice is ready for end-point assessment will be made by the employer supported by the NMBA. An apprentice will be put forward for end-point assessment when it is felt that they have achieved the required experience in the work-place to put them in the best possible position to achieve success. This can include but is not limited to:

- Passing the required professional exams (compulsory)
- Completion of training logs which demonstrates they have met the knowledge, skills and behaviours detailed in the standard
- Evidence from performance appraisals conducted by their line manager
- Feedback from progress reviews completed by the NMBA

Learning objectives

KNOWLEDGE

Section	What is required	Learning outcomes
Industry and Company Understanding	A broad awareness of the structure of the Financial Services industry and an in-depth knowledge of the structure of their own company; the purpose of the role in which they work and how this interacts with key roles associated with the mortgage advice process e.g. Customer Advisers, Underwriters, Product Providers and Compliance.	<ol style="list-style-type: none"> 1. Describe the market and the sector within which the company operates and the products and services it delivers 2. Explain the structure of the company/organisation, where their role fits and the licenses within which it can operate 3. Describe the company values and how to apply them when dealing with clients and colleagues
Regulatory and Compliance	Understands the Financial Services legal and regulatory framework, corporate risk/ governance frameworks and can identify how the relevant parts of these frameworks apply to their role. This will include what constitutes appropriate market, business and personal conduct.	<ol style="list-style-type: none"> 4. Demonstrate a clear understanding of the Financial Services legal and regulatory framework outline the Financial Services regulatory framework and describe the organisational policies and procedures for complying with this 5. Confirm and relate adherence with regulatory and company policy explain the meaning and importance of ethical behaviour 6. Apply practice within the appropriate licence area for the role. Understand the process for referring clients to the relevant business area when required. Demonstrate compliance within the appropriate licence area(s) for the role
Products	Understands the purpose and technical content of the products advised (licensed) by the role, including the customer need that is met by the product, including the cost/ benefit to the customer	<ol style="list-style-type: none"> 7. Apply detailed technical knowledge to make appropriate recommendations to customers' across a wide range of needs and circumstances 8. Have a broad understanding of key competitors' mortgage product range and criteria 9. Have a broad understanding of key competitors' protection provider range and their application
Systems and Processes	Understands the systems and tools required to process a mortgage, and to successfully deliver the role outcomes. Has awareness of how these fit within the wider company and industry. Demonstrates an understanding of colleague's associated roles and how these interact, in order to fulfil a fully compliant mortgage advice process.	<ol style="list-style-type: none"> 10. Understand the use of IT systems to ensure that regulatory requirements are met. 11. Explain the end to end customer journey, and where their role fits within this 12. Understand and be fully conversant with all relevant internal and external processes related to the role
Customer Service	Knows the principles/tools of excellent customer service and company standards required in the role in order to fulfil customer needs.	<ol style="list-style-type: none"> 13. Articulate technical language in a way the customer understands 14. Explain the principles required to be compliant in providing a high quality of service to a customer.
Commercial Awareness	Has an awareness of the wider mortgage sector, its customers, competitors and suppliers and the need for efficient and cost effective practices for the company to be successful. Understands the local market in which they operate, how to keep up to date with industry developments and the need to build a network of professional contacts to support the development of their business.	<ol style="list-style-type: none"> 15. Describe the wider market and explain the possible macroeconomic impact on the mortgage market and their company's products 16. Explain the company/organisation's business objectives and provide feedback as to how cost effective improvements could be made

SKILLS

Section	What is required	Learning outcomes
Quality Service Delivery	The ability to elicit customer's needs through effective fact finding and questioning techniques and provides solutions thorough research and analysis. Can plan and prioritise workloads and deliver all required outputs to customers and colleagues; achieving all internal standards (e.g. service standards, accuracy, attention to detail, meeting required risk, regulatory and governance requirements).	<ol style="list-style-type: none"> 1. Deliver excellent customer service to clients across a range of customer needs, providing recommendations where appropriate 2. Uses agreed systems and processes alongside regulatory processes to deliver recommendations to customers. 3. Take the initiative to meet agreed individual and team objectives in line with company policy, values and standards. 4. Plan and organises their work to meet commitments and goals.
Communication	Has high quality written and verbal communication skills and is able to handle a range of situations and issues that arise. Has the ability to communicate effectively with customers, colleagues, professional contacts and third party product providers.	<ol style="list-style-type: none"> 5. Deal effectively with customers and colleagues using sound interpersonal skills and communicating effectively through a range of media including phone, face to face, email, and internet 6. Build rapport, trust and sound relationships with customers 7. Handle objections, conflict and difficult messages sensitively and confidentially.
Governance	An understanding of regulatory requirements by working compliantly, including data protection and treating customers fairly. Identify specific threats to the business and act appropriately in line with regulation and governance. E.g. ensuring that confidential information is only shared with the relevant people.	<ol style="list-style-type: none"> 8. Demonstrate an ability to execute regulatory requirements in all elements of the role 9. Identify potential risk and how to respond to or escalate this
Relationship Development	The ability to identify, generate and develop relationships that support the role. E.g. professional contacts, new business opportunities through internal/external networking and customer referrals.	<ol style="list-style-type: none"> 10. Demonstrate an awareness of the importance of relationships and professional networks 11. Generate business referrals by delivering an appropriate level of service and seeking recommendations from clients 12. Proactively build a network of opportunities to generate future business
Using systems and processes/ technical ability	Adheres to all relevant processes and procedures using technical ability and proficient IT skills to deliver positive outcomes for customers and the business, within the risk, regulatory and governance requirements.	<ol style="list-style-type: none"> 13. Achieve and maintain competency in the designated IT software within the business 14. Adhere to business processes and policies that relate to the role, delivering the desired outcomes 15. Demonstrate IT proficiency and ability to perform the role using the relevant packages 16. Accurately and consistently apply all systems and processes to the required standard within the role



BEHAVIOURS

Section	What is required	Learning outcomes
Professionalism	Displays honesty and integrity in actions and approach to work and clients, demonstrating the principle of utmost good faith. E.g. acts honestly when dealing with customer queries, ensuring they are treated fairly whilst upholding brand values.	<ol style="list-style-type: none"> 1. Demonstrate integrity and positive ethical behaviour in the way they perform their role 2. Seek to improve and maintain their required quality standards
Adaptability	Has a willingness to accept changing priorities and work patterns when new jobs need to be done, or customer circumstances or requirements change.	<ol style="list-style-type: none"> 3. Demonstrate a flexible approach, adapting to varying workloads and industry circumstance 4. Respond positively to change and show willingness to refocus priorities when required
Achievement Focus	Meets personal commitments and expectations. E.g. completing work, personal development and time keeping. Achieves Key Performance Indicators and company deliverables whilst delivering compliant customer outcomes. Tenacious in finding the best solutions.	<ol style="list-style-type: none"> 5. Plan and deliver work accurately in line with agreed development objectives 6. Achieve individual and/or company goals 7. Demonstrate continual professional development and proactively seek to grow own personal performance
Problem Solving	The ability to go beyond the obvious, if the desired outcome is more challenging. Remains positive in challenging situations, seeking alternative ways to achieve the desired outcome for the customer.	<ol style="list-style-type: none"> 8. Respond proactively to unexpected changes and consistently meet clients' needs in doing so 9. Display sufficient market knowledge to offer the client a solution that meets their individual needs 10. Seek ways to improve processes rather than accepting the status quo
Team Work and Collaboration	Consistently supports colleagues and collaborates to achieve results. Aware of their role within the team and their impact on others.	<ol style="list-style-type: none"> 11. Act as a role model 12. Consider the impact on others when making decisions 13. Work with others in related roles to develop effective business results 14. Network effectively with external departments to maintain strong client relationships



Responsibilities

Training provider responsibilities

NMBA has created an apprenticeship learning programme, designed to meet the required qualification and learning outcome requirements. NMBA will be responsible for conducting the learning programme and developing the apprentices' portfolio to ensure it is comprehensive and meets the required standard. NMBA will facilitate the gateway decision on apprentice readiness in consultation with the line manager.

'The employer plays a key role in the development of an apprentice and should put time aside to provide dedicated support and mentoring to the apprentice within the workplace'

Employer responsibilities

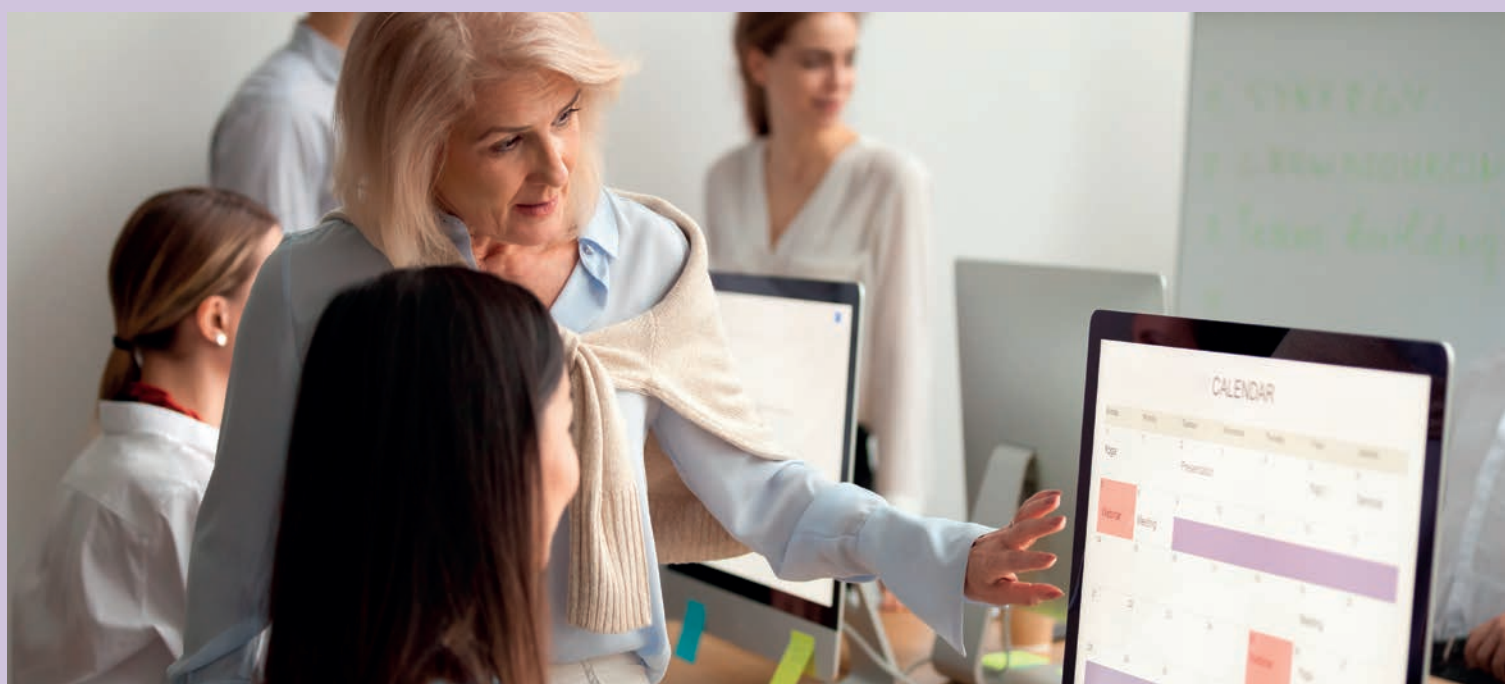
The employer plays a key role in the development of an apprentice and should put time aside to provide dedicated support and mentoring to the apprentice within the workplace. The employer should ensure that the apprentice is given the right level of support and experience throughout the learning programme and be able to complete the portfolio with the apprentice to the level required. The employer will work closely with the apprentice and therefore be able to agree apprentice readiness for end point assessment through discussion with the training provider.

The NMBA Apprenticeship Programme will consist of a series of workshops, which apprentices will attend at the NMBA offices in Huddersfield. Other tuition will be conducted on a distance learning basis through webinars and online modules. Access will be provided to online learning tools, which will assist the apprentices to log and document all their learning activity, which will support the gathering of evidence for end point assessment.

This apprenticeship training timetable shows the approximate timelines within the learning journey with the various roles involved.



Month	Apprentice	Employer	Training provider	Training organisation
0	Understand the job role and apprenticeship commitment	Deliver introduction training and understand role in apprenticeship	Explain apprenticeship, roles, timetable and commitments. Completes ESFA admin requirements	–
1 – 11	Studies and takes qualifications	Supports and coaches the apprentice	Supports and trains the apprentice	–
1 – 15	Works to role objectives/ KPIs/training plan	Manages within the normal framework of the business via the businesses' own T&C scheme	Monitors progress; identifies gaps; delivers apprentice learning and support as required. Completes SFA admin requirements	–
12 – 15	Continues building required knowledge, skills and behaviours	'Gateway' to end point assessment: Employer and TP review progress and agree whether Apprentice has achieved competency levels required vs learning outcomes	'Gateway' to end point assessment: Employer and TP review progress and agree whether Apprentice has achieved competency levels required vs learning outcomes	–
12 – 15	Completes portfolio, submits for assessment	Supports the apprentice in creating the portfolio	Provides guidance to the apprentice to ensure that the portfolio sufficiently evidences competence across the learning outcomes	Assesses portfolio. Arranges reflective discussion
15	Finalises apprenticeship and awaits grading	Discusses grade for apprentice if there is disagreement. Informs apprentice	Discusses grade for apprentice if there is disagreement. When decision is made, checks submission and completes required processing	Decides on final result for apprentice. Chairs discussion to finalise grade for apprentice if there is disagreement



London Institute of Banking and Finance CeMap Qualification

The London Institute of Banking & Finance

Qualification overview

This qualification has three modules which provide you with an extensive knowledge of UK regulated mortgage policy and practice, and how to apply this when giving mortgage advice. The modules offer a clear learning path and can be completed one at a time.

CeMAP is a Level 3 qualification registered with Ofqual in the Regulated Qualifications Framework (RQF). It meets the FCA examination standards for providing advice on mortgage products and is an approved qualification in the mortgage advice apprenticeship standards.

Your studies will cover

- The purpose and structure of the UK financial services industry
- The Financial Conduct Authority (FCA) main aims, activities and relevant Conduct of Business rules
- The house-buying process and parties involved
- The different types of customers and mortgages
- Assessment of affordability and suitability of different mortgage options and associated products



Assessment format

CeMAP consists of seven compulsory units contained within three modules.

Module 1: UK Financial Regulation (UKFR)

Unit 1: Introduction to Financial Services Environment and Products (ITFS)

Unit 2: UK Financial Services and Regulation (UKFS)

Module 2: Mortgages (MORT)

Unit 3: Mortgage Law, Policy, Practice and Markets (MLPP)

Unit 4: Mortgage Applications (MAPP)

Unit 5: Mortgage Payment Methods and Products (MPMP)

Unit 6: Mortgage Arrears and Post-Completions Issues (MAPC)

Module 3: Assessment of Mortgage Advice Knowledge (ASSM)

Unit 7: Assessment of Mortgage Advice Knowledge (ASSM)

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Ongoing professional development

Mortgage advice is a very highly skilled profession. Not only do advice professionals need to learn and retain a large amount of technical information, they also need to adhere to a comprehensive regulatory regime of principles and ethics. Successful individuals will need to have exceptionally strong interpersonal skills in order to build long-term relationships with clients. Additionally, they will need to have business skills in order to run a business profitably and efficiently by developing into a range of markets and adopting methods of best practice where possible.

The advice sector has also experienced wide change over recent years. Whether this change has been economic, legislative, regulatory or behavioural, it has often influenced advice professionals to evolve their knowledge, principles and practices. Change has also opened up new opportunities for advice firms to improve their profitability and business efficiencies.

The unique skill set required by advice professionals and the ever-changing industry means that once qualified, all individuals should focus on a wide range of development areas.

Continuous Professional Development (CPD)

Once qualified, the FCA requirement for all authorised investment advisers, is to complete a minimum of 15 hours of mortgage related CPD each year. CPD can be Structured or Unstructured.

Structured CPD activities are those which are designed to meet a specific learning outcome and can be gained from attending conferences, seminars and workshops or online learning activities. Any structured CPD activity must be measurable, and therefore able to be independently verified, by an accredited body.

Unstructured CPD activities have fewer criteria and need only to be relevant to your role and build upon your existing knowledge and skills.

'The unique skill set required by advice professionals and the ever-changing industry means that once qualified, all individuals should focus on a wide range of development areas'



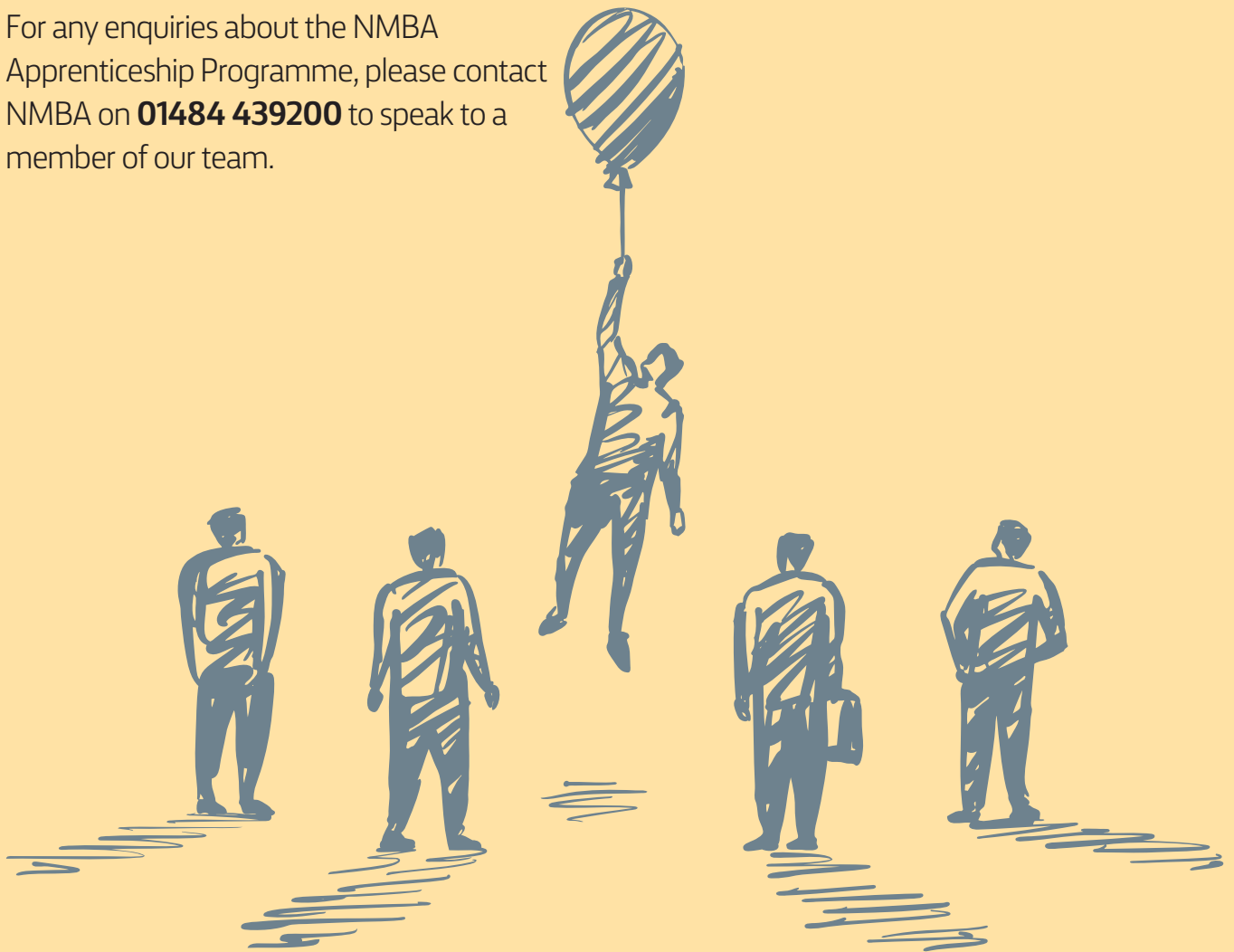
What next for your firm?

If you are interested in taking on an apprentice or applying for an apprenticeship for one of your existing employees, please apply through our website – **www.NMBA.info**. If you are not already a member of NMBA, you will need to register for free to access the website.

For any enquiries about the NMBA Apprenticeship Programme, please contact NMBA on **01484 439200** to speak to a member of our team.

References

This document contains information found from the Government Apprenticeship Standards, which is public sector information licensed under the Open Government Licence v3.0.







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