



Personal
Finance
Society

Getting Started in Paraplanning



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What is paraplanning?

Paraplanning helps financial advice come to life!

Paraplanners work alongside financial advisers and planners to research, analyse and prepare the detailed reports and financial plans that form the backbone of sound financial advice.

We see paraplanning as the engine room of financial planning, taking care of the technical side of things and allowing financial advisers and planners to spend more time providing advice to their clients and maintaining client relationships. This means the client receives clear, practical advice, which is tailored to their needs.

What is a paraplanner?

As a paraplanner, you are often the central link in the financial planning process, but the role can vary significantly between different companies.

A paraplanner's job can cover everything from analysing portfolios, pensions and investments to making sure all recommendations are clear and compliant, to helping create cashflow forecasts and researching legislative changes.

In many ways, paraplanners act as the bridge between complex financial strategies and the client-friendly reports that explain them.

This is not an exhaustive list, and lots of paraplanners have additional responsibilities such as training and development, producing client report templates or sitting as a member of their company's Investment Committee (the team responsible for researching and deciding where a client's money should be invested).



Typical workload



Pension comparisons



Fund/portfolio analysis



Calculations



Cashflow forecasts

Report writing



Making sure files
are compliant



Clear recommendations
linked to client objectives



Researching
legislative changes



Additional areas of interest



Training and development



Sitting on an
investment committee



Mentoring



Report template design

Who will I be working with?

A paraplanner's role involves interaction with a wide range of people, both inside and outside the financial planning process.

On a daily basis, paraplanners work closely with financial planners, administrators and compliance specialists to prepare and deliver advice to the client. They may also liaise directly with clients to gather information and clarify objectives.

This could mean working as a team of just 2-3 people in a small firm or liaising with whole departments in a large organisation.

Beyond this, paraplanners often connect with external professionals such as product providers, fund managers, accountants, and legal experts to ensure that recommendations are accurate, compliant and tailored to a client's needs.

Paraplanners really do sit at the centre of things, bringing together all the different parts of the process.



What qualities does a paraplanner need?

A good paraplanner displays many different qualities, but should be:

- **Attentive to detail**
e.g. able to spot the smallest mistake in a lengthy report
- **A multi-tasker**
competent at juggling multiple cases and skillsets (such as calculations, analysis or research) simultaneously
- **Curious**
interested in products, funds and tax rules (even the tricky ones), as well as in digging into the details of what a client has and what they need
- **A good communicator**
adept at explaining complex financial matters without the jargon
- **Tech-savvy**
comfortable using multiple systems, software and the odd Excel formula
- **Open-minded**
flexible, because a rigid mindset can lead to overlooked details, poor outcomes or missed opportunities
- **A team player**
amenable to working alongside financial planners, administrators, compliance teams and beyond
- **A problem solver**
good at not only highlighting issues but finding practical solutions to solve them
- **Organised**
time conscious and skilled in forward planning because paraplanning has busy times of the year, such as the run up to tax year end
- **Professional (but human!)**
reliable, approachable and easy to get along with
- **A person of integrity**
resolute in ensuring the advice is always in the client's best interest
- **Level-headed**
ready to challenge financial advisers and planners or navigate difficult conversations

How do I get into paraplanning?

There is no single path into paraplanning. In fact, most paraplanners do not start with paraplanning, but work their way into the role from another area of financial services.

University placements

University placements offer students a structured, year long opportunity to gain hands-on experience in financial planning, research and report writing. These placements allow students to deepen their knowledge of financial services and gain new skills that you can use during your remaining studies.

Completing a placement year can also provide students with opportunities to boost employability at the end of their degree into a new job or a graduate scheme.



Apprenticeships

There is a **Paraplanner Apprenticeship Scheme**

<https://skillsengland.education.gov.uk/apprenticeships/st1301-v1-0>

The Institute for Apprenticeships is an organisation that helps employers to train new people in roles with funding and guidance.

The **Paraplanner and Financial Planner Apprenticeship** is a training route for individuals who want to become paraplanners, and includes areas such as learning to analyse clients' circumstances, researching appropriate solutions to meet the clients' needs, providing technical support and insight and creating financial planning reports.

Schemes such as these are typically based over 24 months and are run in conjunction with studying for the **Level 4 Diploma in Regulated Financial Planning** (which is made up of six exams). You are assessed through case studies, an interview showing your work from throughout the course and an exam.



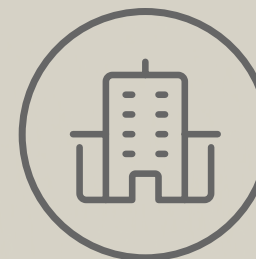
Administration roles

If you are starting with limited financial planning knowledge, working within administration gives you a great opportunity to learn about the industry whilst getting some practical on the job training. Financial administrators need to have a good working knowledge of financial products and processes, with some Level 3 exams geared towards financial administration specifically. These are a good way to get a foot into the door, with a training plan in place to move across to paraplanning after a certain amount of time.



On the job training

You can also jump in at the deep end with a **Trainee Paraplanner** role, where you will learn the skills that you need to become a paraplanner by doing them day to day. Although this role may be harder to get into in the first instance, once you have a role within the industry, learning the job may be easier. You can study alongside the job, to enhance your technical knowledge also.



The **Personal Finance Society** has a careers portal where you can search for trainee roles: careers.thepfs.org

Adviser to paraplanner

You may have thought that a career as a financial adviser or planner was for you, only to find that you preferred putting the cases together for the client, rather than sitting with the client themselves. Although it is not the traditional route, several financial advisers and planners have found that paraplanning suited them better as a career than being the adviser or planner.



Case studies (How I got into paraplanning)

Every paraplanner has a different story. Some arrive by design, others by happy accident. As we have seen, there's no single pathway into paraplanning as each journey brings its own blend of experience, curiosity, and perspective, creating a community of individuals who all found their way here in their own unique way.

We asked some members of **PFS Paraplanners** about how they got into paraplanning...



Alan Gow

Like a lot of people, I fell into paraplanning. I had just been made redundant from my role as a complaints handler and was considering various options. Initially I wasn't keen when the recruiter approached me about paraplanning, but I ended up taking the job and have never looked back. I feel lucky to have found a role that gives me so much job satisfaction and 'clicks' with how my brain works. I can't see myself doing anything else.



Sophie Brown

I first heard about paraplanning whilst completing a placement year at a financial services / wealth management firm as part of my university degree. Once I had graduated, I was offered a trainee paraplanner role and was able to complete my diploma as well as gain confidence and skills through my day-to-day work.



Phil Greenwood

My career started by accident when I took a temp role for a pensions administrator. Early on, I thought I wanted to be an adviser and started doing the level 4 exams. But, after securing a trainee paraplanner position, I soon realised I was far better suited to the analytical, problem-solving side of paraplanning than to a client-facing role. I was lucky as this realisation coincided with the growth of paraplanning which enabled me to pursue a career I was more suited to than one in an advisory capacity.



Hannah Wynnck

I'd vowed to not work in financial services like my dad but, after helping him out for a few weeks post-redundancy, I realised I enjoyed it a lot more than I had anticipated. I loved that no two days were the same and that I was constantly learning something new. The rest, as they say, is history!



Financial exams for paraplanners

Although there are no exam regulations for paraplanners, most paraplanners like to be as qualified as the financial planners that they work with and therefore aim to become at least CII Level 4 Diploma qualified. You may find that your employer will want you to be working towards your Level 4 qualification and may support you through this process.

There are different ways that you can do this through the CII/PFS:



Level 4 Diploma in Regulated Financial Planning

If you are starting out and haven't taken any other exams through the CII/PFS, then this is the most common qualification to obtain.

These exams can be sat in any order so it might be that you sit the ones that are most relevant to your current job or that you have an interest in first.

| Unit | |
|------|---|
| R01 | Financial services, regulation and ethics |
| R02 | Investment principles and risk |
| R03 | Personal taxation |
| R04 | Pensions and retirement planning |
| R05 | Financial protection |
| R06 | Financial planning practice |

Level 4 Diploma in Financial Planning

This is a good alternative if you have already completed some Level 3 exams (as you can use the credits from these). You must hold one of the following qualifications to be eligible for this:

- **Certificate in Financial Services** (General route)
- **Certificate in Financial Services** (Life and Pensions route)
- **Certificate in Regulated Financial Services Operations**
- **Withdrawn Certificate in Financial Planning**

This is also a good option if you wish to tailor the exams that you take to fit in with your current role, as you can choose the units that you take. In order to complete this diploma, you must have a total of 140 credits with at least 80 coming from the units below and a maximum of 30 coming from advance diploma units.

| Unit | |
|------|---|
| GR1 | Group risk |
| J02 | Trusts |
| J05 | Pension income options |
| J07 | Supervision in a regulated environment |
| J09 | Paraplanning |
| J10 | Discretionary investment management |
| J12 | Securities advice and dealing |
| R01 | Financial services, regulation and ethics |
| R02 | Investment principles and risk |
| R03 | Personal taxation |
| R04 | Pensions and retirement planning |
| R05 | Financial protection |
| R06 | Financial planning practice |
| R07 | Advanced mortgage advice |

Certificate in Paraplanning

The level 4 Certificate in Paraplanning offers a dedicated qualification route, developing paraplanning skills, expertise and advanced technical knowledge in several key advisory areas.

The certificate can be completed as part of the Diploma in Financial Planning and comprises three exams and one paraplanning coursework element (three assignments over the course of a year).

| Unit | |
|------|---|
| R01 | Financial services, regulation and ethics OR |
| CF1 | UK financial services, regulation and ethics |
| R02 | Investment principles and risk |
| R03 | Personal taxation |
| J09 | Paraplanning |

This is a great option for those who prefer a coursework element to their studies.

Which qualification is right for me?

There are different study options (textbooks, e-learning, audio study) and exam types (multiple choice, written or coursework) available to you, so those you select will depend on your preferred learning style, where you are in your training, and the development plan agreed with your employer.

If you are stuck on where to start your exam journey, please reach out to the **PFS Paraplanners** who are always happy to help.

Level 6 and Chartered status

Paraplanners who hold the **Level 4 Diploma** may want to further their knowledge by continuing to study for a **Level 6** qualification such as the **Advanced Diploma in Financial Planning**.

This Level 6 qualification builds on existing knowledge, enabling you to develop specialist capabilities and offers a sophisticated and comprehensive approach to financial management and planning. As a holder of the Advanced Diploma, you can apply for Chartered status (subject to having five years' experience within the profession). Chartered status cements your professional standing and is a symbol of technical competence, signifying a public commitment to professional standards.

From here, you could study for **Fellowship of the Personal Finance Society**.

Fellowship, held by more than 5,000 people, is the highest level of qualification and attainment within the CII/PFS, and is globally recognised as an indicator of expertise and experience.

Both Level 4 and Level 6 qualifications are formal qualification standards, meaning they are documented and in line with other UK exams: Level 4 is equivalent to a Higher National Certificate, Higher National Diploma or a Foundation Degree, and Level 6 is equivalent to a Bachelor's Degree.



A day in the life of a paraplanner

A paraplanner very rarely has two days that look the same.

Paraplanners have long said that ‘wearing several hats’ is part of their day-to-day role, helping to achieve the best outcomes for both the firm and the client. That might mean viewing a case first from an adviser or planner’s perspective, then through a compliance lens, before stripping away the industry jargon and asking a simple question: “Does this actually make sense to the client?” Turning something complex into something clear is a skill in itself.



So what might a typical day look like?

9:00am Set the tone for your day – check emails, fix your to-do list for the day and have that all important cup of coffee!

9:30am Begin your day by receiving and reviewing information which supports a letter of authority. Collate the related pension plans to present a case to the adviser for consolidation.

11:00am Prepare for a new business case that you are going to be discussing with a financial adviser. Time to get your thoughts and questions on the case onto paper prior to the meeting.

12:00pm A client is looking to top up their ISA. After reading through the meeting notes and doing a little fact-finding, you need to produce the required documentation.

1:00pm Lunchtime. An opportunity to step away from the desk for some fresh air and to refuel.

2:00pm Time to start writing the suitability report for the ISA top-up that you prepped before lunch.

3:00pm Meeting with another financial adviser to discuss a new client case. An in-depth conversation helps solidify their plans and uncover those soft facts that can help you shape your recommendations and personalise the report. You come away with an idea of the next steps required, including further fund research and an inheritance tax (IHT) calculation, as well as knowing how the adviser would like the report presented.

3:30pm Wrap up the ISA report before sending the entire case for approval.

4:00pm Make a start on the IHT calculations from your earlier conversation with the adviser. You'll have multiple documents open and be focussed on collating all the figures – best to double-check them!

5:30pm Close of play.

As this outline of a typical day shows, you are required to juggle multiple tasks daily. This is the magic of paraplanning!



The three hats of paraplanning

For anyone wanting to progress as a paraplanner, there are three key ‘hats’ that you will need to wear as you work, as defined by Alan Gow (Co-Chair of the PFS Paraplanners). These three hats of paraplanning are interchangeable and you will switch between them as you work through a case.

Hat 1: The Adviser Hat

I pop my adviser hat on first. I look at the client’s details and any recommendations the adviser has outlined. With my adviser hat on, I ask myself, ‘Is this what I would do if this was my client?’ and, ‘If the full responsibility for this case was on my shoulders, would this business go ahead as it is?’ If I’m in any way uncomfortable, that’s a sure sign that something’s amiss.

I wear this hat because it helps me remove myself from the ‘I do what my adviser says / I’m the employee / they know more than me’ headspace. It helps me look objectively at the scenario and come up with ideas which might ultimately help both the client and the adviser. And it’s fine if my input doesn’t lead to any change because we’ve been robust in our assessment and we’ve worked as a team to achieve that.

Hat 2: The Compliance Hat

At regular intervals I swap over to my compliance hat. This is the hat that makes sure all aspects of the work are compliant. Some compliance rules, like the RU64 stakeholder comparison and arguably some of the MIFID II rules, serve no one. But, for the time being at least, they need to be taken into account.

I wear this hat to check all the necessary ‘boxes are ticked’ and to make sure everything is watertight. It’s a necessary part of the job, but this hat is my least favourite. Some firms have compliance rules over and above the FCA’s requirements. This makes the compliance hat get bigger. So big, in fact, that it can take over the whole feel and approach to the report. I’m not keen on this approach to compliance, as it detracts from the other two hats, which I feel are more important.



Hat 3: The Client Hat

The third hat has arguably been underrated by many firms in the past, but consumer duty is changing that. I put on my client hat to reconsider the advice from the client's perspective. I do this by thinking of someone I know who's similar in age and position to the client. It might be my mum, a friend or a neighbour, for example. As an outsourced paraplanner I never meet our advisers' clients, so this approach makes them more than just a name on a file.

This hat helps me consider how I'm communicating with the client, in terms of language, layout, presentation, etc. Everything is assessed with that client avatar in mind. 'If I gave this report to my mum, would she read it? Would she feel overwhelmed by it? Would she understand terms such as 'paid-up' or 'crystallised'?'

Without the client hat, we might be doing the right thing for the client, but do they really understand how, why and what risks are involved?

The three hats are interchangeable out of necessity. No hat can be effective without the other two. As paraplanners, we need to become adept at switching between them. Or get a bigger head!

Potential career options

Not everyone who enters paraplanning will want to remain in the role forever. For those looking to move on, the skills and experience gained can open doors to a wide range of career paths across financial planning, compliance, investment management and other specialist areas, including:

PARAPLANNING

Senior Paraplanner
Paraplanning Team Leader
Head of Paraplanning

COMPLIANCE

Compliance Officer

TECHNICAL

Risk Manager
Investment Analyst

ADMINISTRATION

Administrator
Technical Administrator
Head of Administration

SPECIALIST

Tax Consultant
Client Vulnerability Specialist
Investment Analyst

ADVICE

Financial Adviser
Financial Planner
Pension Specialist

TRAINING & DEVELOPMENT

Financial Coaching
Mentorship
Exam Trainer
Lecturer

OPERATIONS

Operations Manager
Business Owner

Further information

Visit the **paraplanning community** at <https://www.thepfs.org/membership/communities/>, where you can find a range of resources which support paraplanners.

Meet the PFS Paraplanning Panel

A panel of PFS paraplanners who dedicate their time to improving our member offering for all paraplanners.

PFS Paraplanners LinkedIn group

Visit and join the PFS Paraplanners group on LinkedIn. This community offers valuable resources, PFS paraplanning updates and events and discussions specifically for paraplanners.

Paraplanning Digital Library

Browse a range of webinars specifically for paraplanners. Catch-up on old webinars on demand and watch our latest webinars live.

Connect e-Mentoring Programme

Connect is a digital mentoring platform which enables mentoring relationships between all PFS members, including financial advisers, paraplanners and compliance specialists.

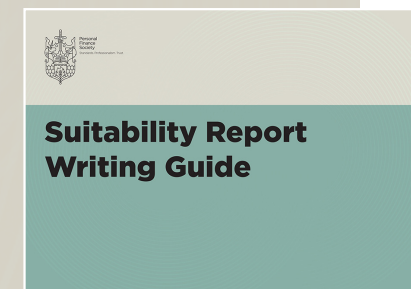
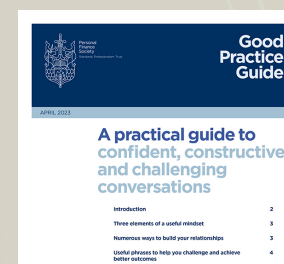
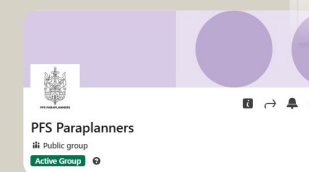
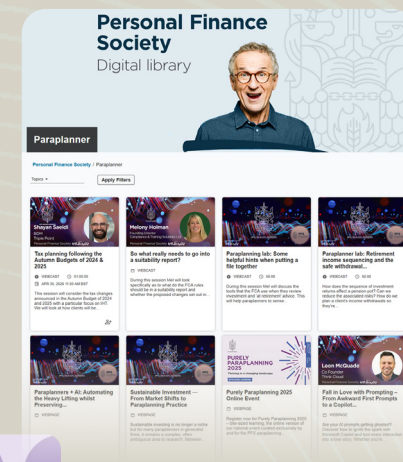
Further Resources

Download further resources which help paraplanners to be better equipped to fulfil their roles, including: *Suitability Report Writing Guide* and *PFS Good Practice Guide – challenging conversations*



Paraplanning Community

The Paraplanning Panel is a role of paraplanners, providing specialist support, resources, and a platform for collaboration within the profession. It aims to enhance technical expertise, share best practices, and ensure paraplanners have a strong voice in financial planning.





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