

The London Institute
of Banking & Finance

Financial education
that counts

LIBF Level 1/2 Technical Certificate in Finance



Specification

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Contents

1	Technical Certificate in Finance at a glance.....	4
	About the financial services sector	4
	Employment and apprenticeship opportunities	5
	Further study	5
2	Qualification overview	6
	Learning outcomes.....	6
	Unit 3 - Financial Services Sector	7
	Qualification size Guided Learning Hours (GLH) are 120 hours.	8
	Delivery in Wales, Scotland and Northern Ireland	8
	Language	8
	Sustainability.....	8
	How does this qualification contribute to Key Stage 4 learning?	9
3	Planning your programme	9
	Is there a learner entry requirement?.....	9
	What level of sector knowledge is needed to teach this qualification?.....	9
4	Understanding the Components.....	10
	Unit 1 Finance for the Individual.....	11
	Unit 2 Finance in Business	21
	Unit 3 Financial Services Sector	31
	Synoptic assessment	39
5	Assessment and grading	39
	Assessment constraints.....	39
	Grading and awarding grades	40
	Performance descriptors	40
	Calculation of the qualification grade	40
	Grade descriptors	41

Copyright

6	Non-exam assessment of Units 1 and 2	43
	Tasks for Units 1 and 2	43
	Authenticity of work when completing Units 1 and 2	44
	Feedback for learners	45
	Principles of non-exam assessment	45
	Operating non-exam Assessment	46
	Making valid assessment decisions	46
	Submitting marks	46
	Resubmitting work	46
	Reporting suspected malpractice	47
7	Administration	47
	Centre and qualification approval	47
	Learner registration and entry	47
	Access to assessment	47
	Assessment by examination	47
	Conduct of set tasks for assessment by examination	48
	Accessibility	48
	Unit and qualification resit	48
	Active results	49
	Post results service	49
	Support for teaching and learning	49

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1 Technical Certificate in Finance at a glance

The Technical Certificate in Finance (TCF) is a vocational qualification which will enable learners to acquire knowledge and skills associated with, and commonly used within, the financial sector. The content of this qualification will cover financial products, finance in business and the financial services sector. The Technical Certificate in Finance (TCF) is included within 2024 performance tables in England as part of the open category of progress 8.

This qualification will focus on developing financial sector-specific knowledge and relevant technical skills in a practical learning environment and thus will be eligible for recognition as a technical award. It is also expected that the qualification forms part of a Key Stage 4 learning programme that enables both academic and vocational progression.

About the financial services sector

The financial services sector, like many other sectors, needs suitably skilled employees to drive their organisations forward, to have ideas and initiatives to instigate growth, and to ensure their businesses survive in this fast-changing world. Financial services providers are a key part of the UK's global economic status; they provide a pathway to many different organisations and offer a wide range of associated occupations and employment opportunities.

The financial sector provides a wide range of employment opportunity in addition to providing a significant contribution to the UK economy. There are over 1.3 million people employed within the financial services sector (source [Office for National Statistics](#)), representing 6% of employment within the private sector. In addition, according to [a UK Parliament research briefing](#) (2018) “the financial services sector **contributed £132 billion to the UK economy**, 6.9% of total economic output”.

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The [Employer Skills Survey 2019](#), published by the DfE October 2020, highlights that where there are technical and practical skills gaps within the financial services sector, 73% of these are a “deficiency in specialist skills or knowledge required to perform the job role”.

According to TheCityUK ([key facts 2018](#)), the industry led body representing UK-based financial and related professional services, the UK remains the world’s leading net exporter of financial services, generating an industry trade surplus of £68bn.

There are many different occupations in the sector that provide numerous opportunities for progression, from a wide variety of jobs with small organisations to global businesses; study of the qualification can also support future entrepreneurs who wish to understand the finance sector, delivering key skills and understanding of finance in business.

Employment and apprenticeship opportunities

Through the study of a wide range of engaging learning content, learners will gain an understanding of many different career options within the financial sector and the pathways to these careers. Learners will gain a greater understanding of key financial content to ensure a strong starting point and base level knowledge for this pathway.

Further study

This technical qualification can provide a progression route for further study and the learner could:

- study Level 3 qualifications such as the LIBF applied general qualification in Financial Studies alongside other Level 3 qualifications as a route into higher education or to enter employment or apprenticeships;
- continue further vocational learning on a Level 3 T Level in Finance;
- gain a broader financial understanding to support A level study in Business Studies and Economics.

2 Qualification overview

Ofqual qualification number (QAN): 603/7322/2

Unit 1 – Finance for the individual	Unit 2 - Finance in Business	Unit 3 – Financial Services Sector
<p>30 GLH TQT 50 QAN: M/618/6745</p>	<p>30 GLH TQT 40 QAN: T/618/6746</p>	<p>60 GLH TQT 90 QAN: M/650/2055</p>
<p>Non-exam assessment</p> <p>Externally assessed 25%</p>	<p>Non-exam assessment</p> <p>Externally assessed 25%</p>	<p>Assessment by examination</p> <p>Externally assessed 50%</p>

Assessment totals
50% externally assessed, non-exam assessment
50% externally assessed, assessment by examination

Learning outcomes

The learning outcomes, for each unit, are as follows:

Unit 1 - Finance for the Individual

LO1	Describe how budgeting can help an individual achieve their financial goals.
LO2	Understand the fundamentals of banking.
LO3	Compare the different types of lending providers and their borrowing products.
LO4	Compare the different types of savings providers and their savings products.
LO5	Investigate the different types of investment providers and their investment products.
LO6	Explain why we have insurance and explain the insurance types and providers available.
LO7	Investigate the similarities and differences between the different stages of the personal life cycle.
LO8	Explain taxation, NI and HMRC documentation for the individual and explain how these have developed digitally.

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Unit 2 - Finance in Business

LO1	Compare the different types of business model.
LO2	Explain the benefits and drawbacks of being a sustainable business and an ethical business.
LO3	Explain the impact of external factors and changes on businesses.
LO4	Understand how a business attracts and retains customers.
LO5	Investigate how businesses deal with foreign exchange when importing and exporting.
LO6	Explain how a business manages its finances.
LO7	Explain how a business contributes to the economy.
LO8	Appraise how good/poor individual financial choices affects spending, businesses and the economy.
LO9	Understand business taxation.

Unit 3 - Financial Services Sector

LO1	Understand the different financial careers available with financial services providers.
LO2	Distinguish the purpose of the different regulatory bodies.
LO3	Describe government policies that influence financial services providers.
LO4	Explain how a financial services provider manages its finances and ensures sustainability through Environmental, Social and corporate Governance (ESG).
LO5	Understand what is meant by 'fintech' and the impact of how recent technological developments are changing how financial services providers work, including the implications on financial security.
LO6	Understand the history of the financial crisis of 2008 in the UK, how a recession affects financial services providers and what has been learned from both events.
LO7	Explain the global issues that may affect decisions made by financial services providers in the UK.

Qualification size

Guided Learning Hours (GLH) are 120 hours.

Total Qualification Time (TQT) is 180 hours, including time for independent and unsupervised research/learning, this equates to 18 credits.

Delivery in Wales, Scotland and Northern Ireland

Learners in Wales, Scotland and Northern Ireland will not be disadvantaged by terms, legislation or aspects of financial services that are different from those in England, as the financial services sector uses consistent terminology.

Language

Assessment of non-exam components and assessment by examination components of this qualification will be in English.

Sustainability

This qualification provides the knowledge to heighten learners' awareness of sustainable development in the financial services sector; through the understanding of environmental, social, economic and technological developments that are contributing to sustainability. Sustainability continues to be a key consideration for companies in the financial services sector.

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How does this qualification contribute to Key Stage 4 learning?

This qualification provides the opportunity for learners to apply their knowledge from GCSE English and Mathematics in a vocational context. For example, this qualification would require a learner to demonstrate the appropriate calculations, in a financial context, and then communicate their findings through extended writing. It also complements other GCSEs in a wide range of areas such as creative areas and humanities through practical application and transferable skills gained, such as communication, analytical and research skills.

3 Planning your programme

Is there a learner entry requirement?

There are no formal entry requirements for this course, although a reasonable level of English and Mathematics is preferred.

What level of sector knowledge is needed to teach this qualification?

There is no formal level of sector knowledge needed to teach this qualification. Teachers of business, economics or other social science subjects are likely to be suitably knowledgeable and able to deliver the qualification. There will be a comprehensive suite of support for both teachers new to this qualification, and those with more experience who wish to further improve their subject knowledge.

A full suite of support material will be available; although not limited to, this will comprise of teaching materials, schemes of work, sample assessment materials and learner materials. Access to materials will be available via our MyLIBF online portal.

Teachers and centres will also be supported by LIBF regional relationship managers. Relationship managers, all of whom have previously taught LIBF qualifications in the

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classroom, support delivering centres across the UK. They conduct annual visits to centres to review the delivery of our qualifications and other regulatory procedures. In addition, they provide bespoke CPD to teachers and colleagues to support with the planning and delivery of our qualifications and to promote positive teaching practice.

4 Understanding the Components

The Learning Outcomes, Assessment Criteria and Teaching Content are provided for each unit on page 11. The Learning Outcomes describe the knowledge, skills and the application of the knowledge and skills a person has acquired and is able to demonstrate as a result of learning. The Assessment Criteria define each individual learning outcome in more detail and can show the teacher what may be assessed. The Teaching Content provides a more in-depth view of what is required in each topic.

Units 1 and 2 are evaluated by non-exam Assessment, where learners need to apply their knowledge and skills to a 'real-life' scenario and provide financial solutions to those situations.

Unit 3 is evaluated by assessment by examination, where learners apply their knowledge of the content of Unit 3, with the synoptic understanding of Units 1 and 2.

The sample assessment materials are provided in separate documents.

Unit 1 Finance for the Individual

This unit focuses on providing learners with the supporting financial knowledge for an individual, covering areas such as budgeting, banking, borrowing, saving, investing, insurance, taxation and how these choices can change through an individual’s life cycle.

Learning outcomes	Assessment criteria	Teaching content
<p>LO1</p> <p>Describe how budgeting can help an individual achieve their financial goals.</p>	<p>AC 1.1</p> <p>Define how a budget is constructed and why it is necessary to construct a budget.</p>	<p>1.1.1</p> <p>All possible sources of income and their frequency, including:</p> <p>Earned income, unearned income, including benefits; overtime; bonuses; investments; and gifts.</p> <p>1.1.2</p> <p>Different types of expenditure including:</p> <p>The differences between mandatory, essential and discretionary expenditure.</p>

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	<p>AC 1.2</p> <p>Explain how an individual achieves their financial goals.</p>	<p>1.2.1</p> <p>The steps in financial planning.</p> <p>1.2.2</p> <p>The benefits and drawbacks of cashflow forecasting.</p> <p>1.2.3</p> <p>The internal factors that influence financial planning.</p> <p>1.2.4</p> <p>Balancing your statement. (Reconciliation of bank account balance.)</p>
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Learning outcomes	Assessment criteria	Teaching content
<p>LO 2</p> <p>Understand the fundamentals of banking.</p>	<p>AC 2.1</p> <p>Explain the need for bank accounts.</p>	<p>2.1.1</p> <p>The purpose of a bank account and the restrictions of not having a bank account.</p>
	<p>AC 2.2</p> <p>Compare the types and features of bank accounts.</p>	<p>2.2.1</p> <p>The features of a basic bank account, current account, savings account and premium/package accounts.</p>
	<p>AC 2.3</p> <p>Distinguish between the various methods of making a payment.</p>	<p>2.3.1</p> <p>Direct debits and standing orders.</p> <p>2.3.2</p>

		<p>How payments are made online, including use of debit and credit cards, PayPal and transferring money using mobile phone apps.</p> <p>2.3.3</p> <p>Cash, using a cheque and card payments, including various methods of contactless payment.</p>
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Learning outcomes	Assessment criteria	Teaching content
<p>LO3</p> <p>Compare the different types of lending providers and their borrowing products.</p>	<p>AC 3.1</p> <p>Understand the key concepts of borrowing.</p>	<p>3.1.1</p> <p>What is borrowing?</p> <p>3.1.2</p> <p>The different situations where individuals may need to borrow money.</p> <p>3.1.3</p> <p>The different elements of interest rate, for example APR/EAR, and fixed and variable, and undertake basic interest rate calculations.</p> <p>3.1.4</p> <p>The fees and charges associated with borrowing.</p>
	<p>AC 3.2</p> <p>Identify the range of lenders.</p>	<p>3.2.1</p> <p>The differences between banks; building societies; credit unions; other lenders such as pawnbrokers; new challenger banks, including internet only banks; and payday loan companies.</p>
	<p>AC 3.3</p> <p>Interpret the differences and similarities between various types of unsecured borrowing.</p>	<p>3.3.1</p> <p>The key facts and suitability, including intended use, repayment and interest charges of personal loans, credit cards, store cards, payday loans and overdrafts.</p>

	<p>AC 3.4</p> <p>Describe the key principles of the various types of secured borrowing.</p>	<p>3.4.1</p> <p>The key facts and suitability, including intended use, repayment and interest charges of hire purchase, mortgage and other secured borrowing.</p>
	<p>AC 3.5</p> <p>Explore the consequences of not managing borrowing effectively.</p>	<p>3.5.1</p> <p>How attitudes to borrowing differ between individuals.</p> <p>3.5.2</p> <p>The consequences of not meeting repayments and the options available, e.g. bankruptcy, county court judgement, repossession, IVA and debt relief orders.</p>

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Learning outcomes	Assessment criteria	Teaching content
<p>LO 4</p> <p>Compare the different types of savings providers and their savings products.</p>	<p>AC 4.1</p> <p>Outline the key purposes of savings and the impact of tax.</p>	<p>4.1.1</p> <p>The purpose of saving for the short, medium and long term.</p> <p>4.2.1</p> <p>The differences between banks and building societies; new challenger banks, including internet only banks; credit unions; and National Savings and Investments.</p>
	<p>AC 4.2</p> <p>Compare the range of providers within the marketplace.</p>	<p>4.3.1</p> <p>The different types of savings accounts, including Instant-access accounts, notice account and cash individual savings accounts (ISAs).</p>
	<p>AC 4.3</p> <p>Compare the different types of savings accounts available and their uses.</p>	<p>4.4.1</p> <p>How inflation impacts on savings returns, knowing what is meant by a 'real return' on savings.</p>
	<p>AC 4.4</p> <p>Explain the impact of inflation on savings.</p>	

Learning outcomes	Assessment criteria	Teaching content
<p>LO 5</p> <p>Investigate the different types of investment providers and their investment products.</p>	<p>AC 5.1</p> <p>Understand the concept of investment and the options available.</p>	<p>5.1.1</p> <p>The difference between investment and savings, why investments are considered for the medium/long term, and the type of return that a person can receive (capital gain versus income gains).</p>
	<p>AC 5.2</p> <p>Understand the relationship between risk and reward.</p>	<p>5.2.1</p> <p>The risk and reward relationship, high risk/high potential reward and the risk profile of the individual.</p>
	<p>AC 5.3</p> <p>Compare the different forms of investment available, how they are taxed, and the spectrum of risk involved.</p>	<p>5.3.1</p> <p>Stocks and shares, a stocks and shares ISA, property, collective investments e.g. unit trusts and bonds. Identify the taxation of investment gains, dependent on the product chosen.</p>

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Learning outcomes	Assessment criteria	Teaching content
<p>LO 6</p> <p>Explain why we have insurance and explain the insurance types and providers available.</p>	<p>AC 6.1</p> <p>Describe the advantages and disadvantages of the purpose of insurance.</p>	<p>6.1.1</p> <p>The definition of insurance (spreading the risk of financial loss), why insurance exists and a basic understanding of how premiums are calculated.</p>
	<p>AC 6.2</p> <p>Explain when insurance might not be suitable.</p>	<p>6.2.1</p> <p>When insurance might not be suitable and if insurance is to spread the risk of loss, does the cost of the premium justify the risk.</p>
	<p>AC 6.3</p> <p>Explain the various types of insurance and assurance.</p>	<p>6.3.1</p> <p>The purposes of whole-of- life assurance and term assurance.</p> <p>6.3.2</p> <p>The different types of general insurance (house, contents, pet, motor and travel).</p> <p>6.3.3</p> <p>Other types of insurance, including private medical insurance, and accident, sickness and unemployment insurance.</p>
	<p>AC 6.4</p> <p>Describe who the providers of insurance are, and the rights and responsibilities of both parties and the terminology used in insurance.</p>	<p>6.4.1</p> <p>The following terminology (premium; policy; utmost good faith; let the buyer beware; material facts; excess; schedule; certificate; no-claims bonus; indemnity; insurable</p>

		interest; insurance premium tax)
Learning outcomes	Assessment criteria	Teaching content
<p>LO 7</p> <p>Investigate the similarities and differences between the different stages of the personal life cycle.</p>	<p>AC 7.1</p> <p>Outline the nature and stages of the personal life cycle and linked key events.</p>	<p>7.1.1</p> <p>The financial choices that are made during the personal life cycle.</p> <p>7.1.2</p> <p>The theory vs reality of the personal life cycle might change and how events in each stage differ.</p> <p>7.1.3</p> <p>Changes in attitude towards risk and responsibility throughout the life cycle.</p> <p>7.1.4</p> <p>The need to review and adjust financial plans linked to the various stages of the life cycle.</p> <p>7.1.5</p> <p>The impact of external influences at different stages in the life cycle.</p>
	<p>AC 7.2</p> <p>Define the implications of inheritance, its terminology and who is involved.</p>	<p>7.2.1</p> <p>What inheritance is, who makes a will and the roles of all parties involved, and inheritance tax.</p>

		7.2.2 The terminology associated with inheritance and wills such as intestacy, executor, estate, beneficiary, power of attorney and deceased.
Learning outcomes	Assessment criteria	Teaching content
LO 8 Explain taxation, NI and HMRC documentation for the individual and explain how these have developed digitally.	AC 8.1 Describe how income is taxed in the UK.	8.1.1 How income is taxed, including tax-free allowances, income tax bands, National Insurance bands and self-employed taxation.
	AC 8.2 Describe what is shown on a payslip.	8.2.1 What is meant by gross and net income and the deductions that could be the difference between these figures. 8.2.2 The key information that must be shown on a payslip.
	AC 8.3 Identify the different types of documentation used by HMRC and how these have developed digitally.	8.3.1 The documentation used by HMRC, including the tax documents (P45, P46 and P60), and the advantages of having these in a digital format.

Unit 2 Finance in Business

This unit progresses from the individual's financial knowledge to business finance, covering areas such as the business models, the impact of being ethical, how external factors can affect a business, how businesses attract and retain customers, how businesses trade internationally, how a business manages its finances and its tax liability, how consumer's financial decisions can affect a business and the impact of a business on the economy.

Learning outcomes	Assessment criteria	Teaching content
LO 1 Compare the different types of business model.	AC 1.1 Describe the different business models and the differences between them.	1.1.1 Different business models: sole trader, partnership, franchise, private limited company (Ltd), public limited company (plc), cooperative.
	AC 1.2 Describe the key stakeholders in business.	1.2.1 The roles of internal stakeholders including employees, managers and owners in a plc. 1.2.2 The roles of external stakeholders, including customers, suppliers, local community, shareholders, government, and finance providers.

Learning outcomes	Assessment criteria	Teaching content
<p>LO 2</p> <p>Explain the benefits and drawbacks of being an ethical and a sustainable business.</p>	<p>AC 2.1</p> <p>Explain the advantages and disadvantages of acting in an ethical way.</p>	<p>2.1.1</p> <p>What the term ethical means in the context of business conduct.</p> <p>2.1.2</p> <p>The impact of ethical and unethical business actions on society, for example tax avoidance, fair trade and corporate social responsibility.</p> <p>2.1.3</p> <p>The consequence of ethical and unethical conduct on business revenue. (Consider: ethical behaviour may have higher costs that reduce revenue. Unethical behaviour may result in loss of sales due to impact on corporate reputation and consumer choices. Businesses may make decisions based on their ethical values or the values of their customers.)</p>
	<p>AC 2.2</p> <p>Explain the benefits and drawbacks to a business implementing sustainable practices.</p>	<p>2.2.1</p> <p>What the term sustainable means in relation to business.</p> <p>2.2.2</p> <p>The importance of sustainability for businesses.</p> <p>2.2.3</p> <p>How the national government acts to maintain sustainability.</p>

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Learning outcomes	Assessment criteria	Teaching content
<p>LO 3</p> <p>Explain the impact of external factors and changes on businesses.</p>	<p>AC 3.1</p> <p>Explain the influences of external factors on a business.</p>	<p>3.1.1</p> <p>What the difference is between an internal and external factor.</p> <p>3.1.2</p> <p>The external influences on business through PESTEL analysis.</p> <p>3.1.3</p> <p>The influences of external factors upon businesses and the impact on the products and services they provide.</p>
	<p>AC 3.2</p> <p>Describe the impact that external financial factors and demographics have on businesses.</p>	<p>3.2.1</p> <p>The impact of demographics, including commuter belt: increased population and thus higher living costs and the effect of an ageing population.</p> <p>3.2.2</p> <p>The impact of demographic changes on business.</p> <p>3.2.3</p> <p>How global events and developments impact on businesses, including changes in weather conditions.</p>

Learning outcomes	Assessment criteria	Teaching content
<p>LO 4</p> <p>Understand how a business attracts and retains customers.</p>	<p>AC 4.1</p> <p>Demonstrate an understanding of the basic principles of marketing and its importance for businesses.</p>	<p>4.1.1</p> <p>What is marketing?</p> <p>4.1.2</p> <p>The importance of branding within marketing.</p> <p>4.1.3</p> <p>Look at how different businesses approach marketing by reviewing different types of marketing materials and information; how is information presented, use of language, reference to ethics, sustainability, corporate social responsibility (CSR), environmental/green issues, etc.</p>
	<p>AC 4.2</p> <p>Investigate how a business attracts its new customers and why this is important.</p>	<p>4.2.1</p> <p>How the needs, wants and aspirations of a segment are met.</p> <p>4.2.2</p> <p>How different materials appeal to different market segments, e.g. by age, gender, social class, income and location.</p>
	<p>AC 4.3</p> <p>Describe why it is important for a business to retain its current</p>	<p>4.3.1</p> <p>How businesses manage the customer relationship.</p> <p>4.3.2</p>

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	<p>customers and how this is done.</p>	<p>The roles of customer service, public relations, reputation, loss leaders and success.</p> <p>4.3.3</p> <p>What are the approaches taken by businesses to attract and retain customers – applying the 7Ps marketing mix.</p> <p>4.3.4</p> <p>How businesses avoid stagnation in both goods and services through developing new products and opportunities.</p> <p>4.3.5</p> <p>Why businesses promote attractive deals/offers for existing/loyal customers.</p>
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Learning outcomes	Assessment criteria	Teaching content
LO 5 Investigate how businesses deal with foreign exchange when importing and exporting.	AC 5.1 Understand the basic principles of imports and exports.	5.1.1 The concept of foreign exchange. 5.1.2 The meaning of importing and exporting.
	AC 5.2 Explain how a business that trades internationally is affected by a change of exchange rate.	5.2.1 The impact of exchange rates on businesses that trade internationally.
	AC 5.3 Understand why a business would want to trade internationally.	5.3.1 How fluctuations in exchange rates can affect a business that does not trade internationally. 5.3.2 When foreign trade can be more expensive or cheaper, how this can impact on the costs of goods, on trade and thus businesses and employment and income. 5.3.3 The impact of foreign exchange on a business cashflow.

Learning outcomes	Assessment criteria	Teaching content
<p>LO 6</p> <p>Explain how a business manages its finances.</p>	<p>AC 6.1</p> <p>Explain how a business manages its money in the short, medium and long term.</p>	<p>6.1.1</p> <p>The key features of a business budget.</p> <p>6.1.2</p> <p>The tools a business uses to manage income, including cash flow forecasts and budgeting.</p> <p>6.1.3</p> <p>The short, medium and long-term costs a business might have. For example, replacing machinery, staff training and taxation.</p> <p>6.1.4</p> <p>The impact on a business of fraud, theft, and financial and credit risk.</p> <p>6.1.5</p> <p>Money available for expansion/investment in both goods and employees/training.</p>

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Learning outcomes	Assessment criteria	Teaching content
<p>LO 7</p> <p>Explain how a business contributes to the economy.</p>	<p>AC 7.1</p> <p>Explain how businesses contribute to the economy.</p>	<p>7.1.1</p> <p>The different ways businesses and other organisations can contribute to the economy of a country, through employment, taxation, etc.</p> <p>7.1.2</p> <p>How business decisions have an impact on society.</p>
	<p>AC 7.2</p> <p>Discuss the impact that businesses have on the economic cycle.</p>	<p>7.2.1</p> <p>The nature and role of money in society, for example cycle of money: increases/decreases in spending linked to increases/decreases in employment, which are linked to increases/decreases in earnings.</p> <p>7.2.2</p> <p>Economic cycle, creates and sustains employment and income.</p>

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Learning outcomes	Assessment criteria	Teaching content
<p>LO 8</p> <p>Appraise how good/poor individual financial choices affects spending, businesses and the economy.</p>	<p>AC 8.1</p> <p>Discuss how an individual’s spending decisions impacts business and the economic cycle that results.</p>	<p>8.1.1</p> <p>The external factors that can impact on individual financial plans.</p> <p>8.1.2</p> <p>The contribution that businesses make to the economy of a country.</p> <p>8.1.3</p> <p>The consequences of payment default both on individuals and society.</p> <p>8.1.4</p> <p>How good individual finance choices have an impact on an economy. For example, less bad debt, less borrowing and increasing spending. Increased savings thus more money available to lend.</p> <p>8.1.5</p> <p>How poor individual finance choices have an impact on an economy. For example, increased bad debt. Economy built on debt: unstable economy/recession.</p>

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Learning outcomes	Assessment criteria	Teaching content
<p>LO 9</p> <p>Understand business taxation.</p>	<p>AC 9.1</p> <p>Understand why and how businesses can be taxed.</p>	<p>9.1.1</p> <p>The impact of tax on a business and ways of managing tax.</p> <p>9.1.2</p> <p>The business tax (income tax, NI, VAT and corporation tax) rates.</p> <p>9.1.3</p> <p>How a business can reduce its tax liability.</p> <p>9.1.4</p> <p>Tax avoidance, tax evasion and the tax gap.</p> <p>9.1.5</p> <p>Legislative, regulatory and organisational requirements and procedures relevant to earnings.</p> <p>9.1.6</p> <p>How tax is calculated for the self-employed and how self-assessment is calculated via completion of a tax return.</p>

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Unit 3 Financial Services Sector

This unit is synoptic, providing the learner with an insight into the financial services industry, using the knowledge of how individual financial choices from unit 1 and how a financial services provider may operate from their knowledge of business in unit 2.

The unit develops the understanding of both units and covers areas such as financial careers, the role of the various regulator, the external influence of government, ethical considerations are explored further in ESG, how fintech is changing the industry, internally trade is developed with how a financial services provided works internationally and understanding the impact of the 2007-08 crisis and how recessions can affect the industry.

Learning outcomes	Assessment Criteria	Teaching Content
<p>LO 1</p> <p>Understand the different types of financial careers available within financial services providers.</p>	<p>AC 1.1</p> <p>Explore the careers and career paths into financial services.</p>	<p>1.1.1</p> <p>Range of key careers within the financial services sector.</p> <p>1.1.2</p> <p>Ways of considering and preparing for careers in financial services.</p> <p>1.1.3</p> <p>Roles in financial services sector, including banking (retail and corporate), accounting, investment, insurance and the interrelationship between these areas.</p> <p>1.1.4</p> <p>The post-18 routes into financial services careers including degree apprenticeships, school leaver programmes, university, sponsored degree programmes, internships and graduate programmes.</p>

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Learning outcomes	Assessment criteria	Teaching content
<p>LO 2</p> <p>Distinguish the purpose of the different regulatory bodies.</p>	<p>AC 2.1</p> <p>Understand the role and responsibilities of financial services regulatory bodies.</p>	<p>2.1.1</p> <p>The role of key stakeholders in financial services provision.</p> <p>2.1.2</p> <p>The roles and limitations of the following financial services regulatory bodies: Financial Conduct Authority (FCA); Prudential Regulation Authority (PRA); Financial Ombudsman Service (FOS); Financial Services Compensation Scheme (FSCS); Competition and Markets Authority (CMA); Bank of England.</p>
	<p>AC 2.2</p> <p>Describe the importance of consumer protection.</p>	<p>2.2.1</p> <p>The role of consumer protection, how it helps the industry and the motives of different stakeholders.</p>

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Learning outcomes	Assessment criteria	Teaching content
<p>LO 3</p> <p>Describe government policies that influence financial services providers.</p>	<p>AC 3.1</p> <p>Describe how political factors influence financial services providers.</p>	<p>3.1.1</p> <p>How external political factors can affect financial services providers.</p> <p>3.1.2</p> <p>The key government decisions and how they affect financial services providers.</p> <p>3.1.3</p> <p>The implications, to financial services providers, of a change in the Bank of England Bank rate.</p> <p>3.1.4</p> <p>How national government and regulators act to maintain sustainability.</p>

Learning outcomes	Assessment criteria	Teaching content
<p>LO 4</p> <p>Explain how a financial services provider manages its finances and ensures sustainability through Environmental, Social and corporate Governance (ESG).</p>	<p>AC 4.1</p> <p>Explain how financial services providers make a profit.</p>	<p>4.1.1</p> <p>How a financial services provider makes a profit through interest alone.</p> <p>4.1.2</p> <p>How a financial services provider increases income in other ways.</p> <p>4.1.3</p> <p>How a provider 'ring fences' its investments.</p> <p>4.1.4</p> <p>The costs incurred by a financial services provider.</p> <p>4.1.5</p> <p>Why money should be available for expansion, investment in both goods and employees and training.</p>
	<p>AC 4.2</p> <p>Explain why sustainability is important for financial services providers through Environmental, Social and corporate Governance (ESG).</p>	<p>4.2.1</p> <p>The importance of financial sustainability for financial services providers.</p> <p>4.2.2</p> <p>What ESG is and why it matters to the sector.</p>

		<p>4.2.3</p> <p>What is responsible lending and borrowing.</p>
Learning outcomes	Assessment criteria	Teaching content
<p>LO 5</p> <p>Understand what is meant by 'fintech' and the impact of how recent technological developments are changing how financial services providers work, including the implications on financial security.</p>	<p>AC 5.1</p> <p>Understand the changing world of digital and emerging technology within financial services.</p>	<p>5.1.1</p> <p>Definition of the term 'fintech'.</p> <p>5.1.2</p> <p>Definition of 'Open banking'.</p>
	<p>AC 5.2</p> <p>Understand how technological changes are impacting on how financial services providers operate.</p>	<p>5.2.1</p> <p>How recent changes to online banking have affected the sector as a whole.</p> <p>5.2.2</p> <p>The impact of mobile app banking and how this impacts on traditional banking methods.</p> <p>5.2.3</p> <p>The role of the high street banking branch.</p>
	<p>AC 5.3</p> <p>Understand cyber security and data protection within financial services.</p>	<p>5.3.1</p> <p>Define what is meant by 'cyber security'.</p> <p>5.3.2</p> <p>The limitations of data protections within the financial services sector.</p>

Learning outcomes	Assessment criteria	Teaching content
<p>LO 6</p> <p>Understand the history of the financial crisis of 2008 in the UK, how a recession affects financial services providers and what has been learned from both events.</p>	<p>AC 6.1</p> <p>Understand the series of events that led to the banking crisis of 2008.</p>	<p>6.1.1</p> <p>The attitudes to borrowing and lending leading up to 2007/08.</p> <p>6.1.2</p> <p>What is ‘credit crunch’ (i.e. the tightening of lending criteria and the reduced availability of credit).</p> <p>6.1.3</p> <p>Why the government decided to ‘bail out the banks’.</p>
	<p>AC 6.2</p> <p>Define what is meant by a recession.</p>	<p>6.2.1</p> <p>The term recession and understand how long it can last for.</p>
	<p>AC 6.3</p> <p>Investigate what has been learnt by the government to prevent recessions and what has been learnt since 2008.</p>	<p>6.3.1</p> <p>What a government can do to help the economy under the threat of a recession.</p> <p>6.3.2</p> <p>The external influences that are now in place to stop this happening again.</p>

Learning outcomes	Assessment criteria	Teaching content
<p>LO 7</p> <p>Explain the global issues that may affect decisions made by financial services providers in the UK.</p>	<p>AC 7.1</p> <p>Explain which global events will have an effect on financial services providers.</p>	<p>7.1.1</p> <p>The impact of global events on financial services providers, e.g. changes to world/EU/UK economy and global issues, including changes in weather conditions.</p> <p>7.1.2</p> <p>Social developments on financial services providers, including demographic change.</p> <p>7.1.3</p> <p>How changes to attitudes on ethical considerations can impact upon the financial services industry and ultimately the consumer.</p> <p>7.1.4</p> <p>How ethical considerations can change the investment portfolio that needs to be offered by financial services providers resulting investment decisions.</p>

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Synoptic assessment

Unit 3 is assessed through assessment by examination and is a synoptic assessment. The knowledge and understanding of Unit 3, Financial Services Sector relies on:

- Unit 1, understanding the financial services and products that are accessed by individuals.
- Unit 2, understanding how a business operates as the financial services sector is made up of many companies that all face the same challenges as other businesses.

5 Assessment and grading

Assessment constraints

Learners must complete each unit in order. Unit 3 is a synoptic assessment that covers learning from units 1 and 2.

Units 1 and 2, as Non-exam assessments, will have fixed submission dates (as shown below in Availability of Assessments) rather than a window. Assessment tasks (shown in the sample assessment materials), for this unit, will be made available eight weeks before the submission date. Tasks will change for each window, and learners cannot resubmit the same task.

Unit 3 will be assessment by examination on set dates, as shown in availability of assessments below.

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Grading and awarding grades

Learners will receive a point score for each unit, assessed and clarified against grade descriptors. There is no minimum requirement in each unit, therefore the final grade will be awarded by the total score obtained from all three units.

Performance descriptors

To achieve a grade, a learner is expected to demonstrate these attributes across the non-exam assessments and assessment by examination of the course. There may be units where the learner excels, there may be units where the learner underachieves, but the final grade is calculated by a numerical method.

Calculation of the qualification grade

With every exam series, we reserve the right to adjust grade boundaries at the end of each session, as part of our Grade Award process. The grade boundaries, below, are intended as guidance to centres. Below are examples of grade boundaries for raw scores, although the total is cumulative, and the unit scores are a guide on how this can be achieved.

	Unit 1	Unit 2	Unit 3	Total
Max	25	25	50	100
L2 Dist. *	20	20	40	80
L2 Dist.	18	18	36	72
L2 Merit	16	16	32	64
L2 Pass	14	14	28	56
L1 Dist. *	12	12	24	48
L1 Dist.	10	10	20	40
L1 Merit	8	8	16	32
L1 Pass	6	6	12	24

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Grade descriptors

Level 2 Distinction*	Level 2 Distinction
Learners have a consistently excellent knowledge to demonstrably achieve the full range of the learning outcomes, in a variety of contexts. They are able to make thorough and accurate judgements and observations about given information and can evaluate a full range of financial factors that have either positive/negative/minimal impact and understand the significance of their findings, in different contexts. Learners are able to make recommendations for success, provide relevant supporting evidence and can produce a wide-ranging evaluation.	Learners have a comprehensive amount of knowledge to demonstrably achieve the majority of the learning outcomes, in a variety of contexts. They are able to make comprehensive judgements and observations about given information and can analyse various financial factors that have either positive/negative/minimal impact and understand the significance of their findings, in different contexts. Learners are able to make recommendations for success, provide relevant supporting evidence and can produce a comprehensive evaluation.

Level 2 Merit	Level 2 Pass
Learners are able to demonstrate a good amount of knowledge to demonstrably achieve the majority of the learning outcomes. They are able to make judgements and observations about given information and can analyse various financial factors that have either positive/negative impacts or minimal impact and understand the significance of their findings. Learners are able to make recommendations for success, provide	Learners are able to demonstrate a broad amount of knowledge to demonstrably achieve almost all of the learning outcomes. They are able to make judgements and observations about given information and can explain various financial factors that have either positive/negative impacts or minimal impact and begin to understand the significance of their findings. Learners are able to make recommendations for success,

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relevant supporting evidence and can produce an evaluation.	provide supporting evidence and can produce a limited evaluation.
Level 1 Distinction*	Level 1 Distinction
Learners are able to demonstrate a reasonable knowledge to demonstrably achieve almost all of the learning outcomes, but to a limited degree in some areas. They are able to make judgements and observations about given information and can describe various financial factors that have either positive/negative impacts or minimal impact. Learners are able to make recommendations for success and provide supporting evidence.	Learners are able to demonstrate a limited knowledge to demonstrably achieve most of the learning outcomes. They are able to make observations about given information and can begin to describe different financial factors that have positive or negative impacts. Learners are able to make recommendations for success.
Level 1 Merit	Level 1 Pass
Learners are able to demonstrate enough knowledge to demonstrably achieve some of the learning outcomes. They are able to make partial observations about given information and can define different financial factors that have positive or negative impacts. Learners are able to make basic recommendations for success.	Learners demonstrate a basic knowledge of the elements of the learning outcomes. They can make basic observations about given information and can identify different financial factors that have an impact. They demonstrate a basic ability to interpret information to identify factors in a financial context.

Availability of assessment (including resits)

In line with Ofqual guidance, assessments will be available as follows:

There will be two opportunities per academic year for centres to submit non-examination assessment components in units 1 and 2. There is one opportunity to sit the final synoptic assessment unit 3, this will be in the summer (May / June) exam series.

Key dates and deadlines will be supplied to centres at the beginning of each academic year. As a guide, the table below shows the intended availability of each unit. As explained above, each unit needs to be taken in order. There is no opportunity for this qualification to be completed in one academic year.

	First opportunity	Final opportunity
Unit 1	March Year 1	July Year 1
Unit 2	October Year 2	January Year 2
Unit 3	Not applicable	May / June Year 2

For each unit 1 and 2 attempt, the highest mark gained is the mark used towards the final cumulative score.

There is one sitting available for the unit 3 examination.

6 Non-exam assessment of Units 1 and 2

Tasks for Units 1 and 2

Units 1 and 2 are both non exam assessments and will be externally marked by LIBF. Each unit is made up of a scenario upon which learners will have to produce a written report. The report will be required to address key points that have been raised as part of the assessment and requires learning of the relevant unit of study to have been completed.

A new single Unit 1 and 2 task will be set for each session and will be released eight weeks before the fixed submission date. Learners will be provided with 10 hours of classroom time to complete each task. Each task will be a real-life scenario based on the unit learning

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content, e.g. unit 1 - purchasing a larger house, where the learner has to analyse the current situation and recommend solutions to the problem posed in the form of a report.

Authenticity of work when completing Units 1 and 2

Completion of each non exam assessment unit is required to be carried out by learners under the supervision of the teacher in the classroom environment. The learner should complete their work independently. Through supervision in the classroom, the teacher must be able to authenticate the work and acknowledge this on the Centre Submission form provided in the Sample Assessment Materials (SAMs).

Teachers must make sure that learners understand the implications of plagiarism, and what this is considered as; plagiarised work must not be submitted. Further details on plagiarism can be found on the JCQ website [here](#).

Throughout the completion of each non exam assessment, the teacher should include regular questioning and conversations with the learners. This will provide an insight into the understanding of the work the learner is completing. Questioning can be used to support the process of authentication and highlight how well the learner knows their work and confirm to the teacher that the learner's work is their own.

Learners may use different research techniques, e.g. using the internet, but all sources of information should be clearly referenced in a reference section at the end of the report. Full Harvard style referencing is not necessary, however, where external research has been used this should be fully acknowledged and enough detail provided to enable the examiner to source the same information. Further guidance on referencing can be found on the knowledge bank section of MyLIBF. Any internet research that is used and / or referred to in the final submission must be carried out during supervised time (i.e. 10 hours of completion time for task) and must be referred to in the reference section.

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As each task for Units 1 and 2 will be new for each session, there is no possibility of learners resubmitting previous attempts, as each session will have a new task.

The assessment process has been designed to review all of one centre's submissions, at the same time, to ensure that the centre has followed the requirements for this task.

Feedback for learners

Tutors can provide clarification to any learner on the requirements of any aspect of this assignment. Tutors should not provide more guidance than the learner needs. Guidance must only support access to the task and must not provide feedback for improvement.

Tutors must not provide feedback on how the quality of evidence can be improved. This would be classed as malpractice.

Tutors should, however, provide general reminders to learners throughout the assessment period that they must check their work thoroughly before submitting it, to be sure that they are happy with their final evidence, as it may not be worked on further after submission. In other words, only the minimum support the learner actually needs should be given.

A tutor may not provide guidance that the learner's work is not at the required standard or how to improve their work. In this way, learners are given the chance to identify and correct any errors on their own. All learners must be provided with an environment and resources that allows them access to the full range of marks available.

Principles of non-exam assessment

The principle of this assessment is to provide a Non-exam Assessment where learners can synthesise and apply their acquired knowledge to a 'real-life' situation, providing solutions and recommendations, justified by their own research. These skills cannot be shown in

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assessment by examination, so this provides the variety of skills to be tested and this is a competency required in certain occupations within the financial services sector.

Operating non-exam Assessment

Teachers will receive the non-exam assessment tasks through our website, www.my.libf.ac.uk. The timing of this release will be on the Key Dates document.

Teachers will be given clear instructions on how they are able to assist their learners during this task, through group discussion, individual assistance and explanation of key terms.

Making valid assessment decisions

Assessment decisions will not be completed by the teacher and will be completed by ourselves. Assessment levels are calculated by a numerical method as explained earlier.

Submitting marks

Centres do not submit marks for Units 1 and 2 as this non-exam assessment is not assessed by teachers. All learners' work will be assessed externally by LIBF.

Resubmitting work

Centres will not be able to resubmit a learner's submission. There is only one opportunity for a centre to submit in each session. For the next session of that unit, a new task will be set.

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Reporting suspected malpractice

We will continue to follow our current procedures for reporting suspected malpractice, which are found within our Policy and Procedures area here: www.libf.ac.uk/about-us/policies-regulations-and-code-of-practice.

7 Administration

Centre and qualification approval

In line with our current practices, all new centres will be required to complete a Centre Agreement form. Our Centre Arrangement Policy and Procedures can be found here: www.libf.ac.uk/about-us/policies-regulations-and-code-of-practice. Existing centres new to this qualification are approved automatically.

Learner registration and entry

Learners can be registered for this course using the existing exam officer registration area on www.my.libf.ac.uk.

Access to assessment

Teachers will receive the non-exam assessment tasks through our website: www.my.libf.ac.uk. The timing of this release will be on the Key Dates document.

Assessment by examination

Assessment by examination (unit 3) will be completed on a set date, as per the Key Dates document, and will last 1 hour 30 minutes. This examination will be based on a pre-release case study, issued eight weeks before the exam date.

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Assessment by examination will be sent to the centre, using the company SCD (Secure and Confidential Documents) and SCD will ensure that centres receive the required amount of exam papers and in a timely fashion.

Contingency papers are always written for all our qualifications.

Conduct of set tasks for assessment by examination

Conduct for non-exam assessment is explained in earlier sections and in the sample assessment materials.

Conduct for assessment by examination is the same for other examinations, where we follow the JCQ requirements.

Accessibility

LIBF will continue to work with centres to ensure that all learners can access the assessments. Reasonable adjustment exam papers will be produced for every session.

Unit and qualification resit

One resit for each of units one and two is permitted.

If a learner wishes to resit the whole qualification, they would not be able to use previous marks from previous sessions, unless this has been agreed after submission of a Special Consideration form.

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Active results

Centres (teachers access one day ahead of learners) can access their results through mylibf.ac.uk. Results will be issued as per the Key Dates document published before the start of the academic year.

Post results service

A full post results service is available for this qualification, where learners can access how they performed within each assessment within their VLE.

Support for teaching and learning

Teacher CPD will be available, delivered by our regional relationship managers. Teachers will have full access to all the resources for the qualification, including schemes of work, sample assessment materials, results analysis and core text teaching materials.

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