



# Playbook | Outsourcing Australian Financial Planning Firms

*Admin Assistants & Paraplanners – ASIC / AFSL Aligned Operating Framework*

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# Table of Content

<b>1</b>	<i>Purpose of This Playbook</i>	<i>01</i>
<b>2</b>	<i>Regulatory &amp; AFSL Context</i>	<i>02</i>
<b>3</b>	<i>Core Principle: Outsourcing Is a Governance Decision</i>	<i>03</i>
<b>4</b>	<i>Roles Suitable for Outsourcing (With Boundaries)</i>	<i>04</i>
<b>4.1</b>	<i>Financial Planning Admin Assistant (Outsourced)</i>	<i>04</i>
<b>4.2</b>	<i>Paraplanner (Outsourced)</i>	<i>05</i>
<b>5</b>	<i>What Must Never Be Outsourced</i>	<i>06</i>
<b>6</b>	<i>System Governance &amp; Record-Keeping (Audit Critical)</i>	<i>07</i>
<b>7</b>	<i>Best-Interest Duty &amp; Advice Integrity</i>	<i>08</i>
<b>8</b>	<i>Supervision &amp; Oversight Expectations</i>	<i>09</i>
<b>9</b>	<i>Escalation &amp; Incident Management</i>	<i>10</i>
<b>10</b>	<i>Relationship Management &amp; Trust</i>	<i>11</i>
<b>11</b>	<i>Onboarding &amp; Early-Stage Controls</i>	<i>12</i>
<b>12</b>	<i>Common Outsourcing Failures to Avoid</i>	<i>13</i>

## *Purpose of This Playbook*

*This playbook exists to support Australian Financial Planning Firms that are considering or operating an **outsourced delivery model** for:*

- *Financial Planning **Admin Assistants***
- *Financial Planning **Paraplanners***

*The objective is to ensure outsourcing is executed in a way that:*

- *Preserves **AFSL accountability***
- *Protects **best-interest duty***
- *Maintains **audit-ready governance***
- *Reduces operational load **without increasing regulatory risk***

*Outsourcing is permitted under Australian regulation - **loss of control is not.***

## **Regulatory & AFSL Context**

*Australian financial planning firms operate under:*

- The *Corporations Act 2001*
- ASIC Regulatory Guides and enforcement expectations
- AFSL licence conditions
- Best-interest duty and record-keeping obligations
- Ongoing audit, monitoring, and breach-reporting requirements

*ASIC does not prohibit outsourcing.*

*However, ASIC expects firms to demonstrate:*

- Clear *role separation*
- Effective *supervision*
- Documented *procedures*
- Strong *record-keeping*
- Retained *accountability*

*This playbook is designed to align directly with those expectations.*



## **Core Principle:** **Outsourcing Is a Governance Decision**

*Core Principle:*  
*Outsourcing Is a Governance Decision*

### **Under an AFSL:**

- *Advice cannot be outsourced*
- *Accountability cannot be delegated*
- *Compliance oversight must remain local and demonstrable*

*Outsourced resources operate as support personnel,  
not decision-makers.*



## **Roles Suitable for Outsourcing (With Boundaries)**

### **4.1 Financial Planning Admin Assistant (Outsourced)**

#### **Permitted Activities**

- Client onboarding administration
- Identity verification and AML documentation
- CRM / Xplan data maintenance
- Platform paperwork and follow-ups
- Authority to Proceed tracking
- Implementation coordination
- File completeness checks

#### **Explicitly Excluded**

- Providing financial advice
- Explaining or interpreting recommendations
- Communicating advice to clients
- Making discretionary decisions

#### **AFSL Rationale**

Admin Assistants must operate strictly within documented administrative procedures and **must not cross advice boundaries**.





## 4.2 Paraplanner (Outsourced)

### **Permitted Activities**

- *Drafting Statements of Advice (SoA) and Records of Advice (RoA)*
- *Translating adviser strategy into documentation*
- *Preparing compliance justifications and file notes*
- *Maintaining consistency between SoA and Xplan*
- *Supporting advisers under supervision*

### **Explicitly Excluded**

- *Strategy creation or modification*
- *Advice approval*
- *Client recommendation authority*
- *Compliance sign-off*

### **AFSL Rationale**

*Paraplanners support advice preparation but **do not own the advice**. Ultimate responsibility always remains with the adviser and licensee.*

## **What** Must Never Be Outsourced

*The following responsibilities must remain within the Australian entity:*

- *Financial advice*
- *Strategy determination*
- *Client recommendations*
- *Compliance approval*
- *AFSL accountability*
- *Breach reporting decisions*

*Outsourcing supports execution — not authority.*



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## **System Governance & Record-Keeping** **(Audit Critical)**

Systems such as Xplan form part of the firm's *official compliance record*.

**ASIC and external auditors typically review:**

- Data accuracy and consistency
- Authority records
- File notes and rationale
- Version control
- Audit trails

### **Governance Standards**

- All data stored centrally (no local storage)
- Changes documented and traceable
- Documents categorised correctly
- No "silent fixes"
- Access restricted by role

Silent corrections or undocumented changes are considered *governance failures*.

## **Best-Interest Duty & Advice Integrity**

### ***Outsourced staff must:***

- *Work strictly from adviser instructions*
- *Escalate unclear or incomplete strategies*
- *Never “fill gaps” with assumptions*
- *Document discussions and changes*

### ***Compliance Principle***

*If a task affects advice quality, suitability, or client outcomes, escalation is mandatory.  
Speed does not override best-interest duty.*



## **Supervision & Oversight Expectations**

### **AFSL holders must demonstrate:**

- *Active supervision of all staff (including offshore)*
- *Clear reporting lines*
- *Documented procedures*
- *Ongoing monitoring and review*

### **Effective Supervision Includes**

- *Two-layer review (offshore + adviser)*
- *Defined escalation protocols*
- *Periodic quality checks*
- *Documented feedback and remediation*

*Outsourced staff are treated as an **extension of the licensee's operating environment**, not independent third parties.*

## Escalation & Incident Management

*Outsourced resources must escalate immediately when:*

- Authority to Proceed is missing
- Data inconsistencies are identified
- Instructions are unclear
- Errors are discovered (including internal errors)
- Timelines conflict with compliance requirements

**Escalations must be:**

- Timely
- Documented
- Transparent
- Action-oriented

*Failure to escalate is considered a **systemic risk**.*





## *Relationship* Management & Trust

Successful offshore models depend on *predictability and transparency*, not speed.

### **High-trust offshore resources:**

- *Communicate clearly in writing*
- *Adapt to adviser communication preferences*
- *Document assumptions and changes*
- *Ask questions early*
- *Respect adviser authority*

### **Trust erodes when:**

- *Assumptions are made*
- *Advice boundaries are crossed*
- *Errors are hidden*
- *Speed is prioritised over governance*



## Onboarding & Early-Stage Controls

*For the first 30–60 days:*

- *Start with lower-risk tasks*
- *Enforce two-layer reviews*
- *Use templates and examples*
- *Encourage questions*
- *Conduct regular file reviews*

*Early structure prevents long-term compliance issues.*

### Measuring Outsourcing Success (AFSL Lens)

*Success should be measured by:*

- *Reduction in adviser administrative load*
- *Improvement in documentation quality*
- *Fewer compliance rework items*
- *Cleaner audit outcomes*
- *Predictable turnaround times*

*Cost savings are **secondary** to risk reduction and consistency.*



## **Common Outsourcing Failures to Avoid**

**For the first 30–60 days:**

- *Hiring based on resumes alone*
- *Treating paraplanners as advisers*
- *Allowing silent fixes*
- *Weak system discipline*
- *Poor escalation culture*
- *Speed-first execution*

*Each of these increases regulatory exposure.*

### **How 10th House Pty Ltd Supports AFSL-Aligned Outsourcing**

*10th House Pty Ltd is an Australian-registered entity governed by Australian law, supported by a global delivery capability.*

**Our framework includes:**

- *Scenario-based vetting (not resume screening)*
- *Clearly defined role boundaries*
- *System and audit-trail discipline*
- *Structured onboarding playbooks*
- *Ongoing governance and quality oversight*

*We are designed to support regulated Australian financial services firms, not generic offshore delivery.*

*ASIC does not assess where work is performed.*

*ASIC assesses control, supervision, documentation,  
and accountability.*

*Outsourcing can be compliant, scalable, and effective – when  
governance is engineered into the model.*

*This playbook exists to ensure exactly that.*

# Lets Build a **Business** That Performs **Everyday**

*Your success is just a call away*

## Get in touch with Our Experts...



We're here to listen, guide, and create solutions that matter.  
Let's explore the possibilities together.

***Let's talk.***

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