

PMI Level 3 Award in Pensions  
Administration Practice (Nigeria)

PMI Level 4 Certificate in Pensions  
Administration Practice (Nigeria)

PMI Level 5 Diploma in Pensions  
Administration Practice (Nigeria)



## Pensions Administration and Practice (Nigeria)<sup>© PMI 2022</sup>

Level 3 Award in Pensions Administration and Practice (Nigeria) Level 4  
Certificate in Pensions Administration and Practice (Nigeria)  
Level 5 Diploma Pensions Diploma in Administration and Practice (Nigeria)

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## About the Pensions Management Institute (PMI)



Founded in 1976, the Pensions Management Institute (PMI) is the UK's largest and most recognisable professional body for employee benefit and retirement savings professionals, supporting over 6,500 members.

PMI's members, represented throughout the UK, are responsible for managing and advising some of the largest institutions in the world accounting for £1.3 trillion invested in pensions. We promote excellence through a range of services for the benefit of members, the wider economy and with over six million now saving as a result of automatic enrolment, society as a whole.

The purpose of the Institute is "To set and promote standards of excellence and lifelong learning for employee benefits and retirement savings professionals and trustees through qualifications, membership and ongoing support services".

To achieve this, the PMI:

- Promotes and embeds professional standards, setting the benchmarks for best practice in the employee benefits and retirement savings industry
- Produces qualifications that have a reputation for excellence and ensure that employee benefits and retirement savings professionals, whether they are scheme managers, consultants, administrators or trustees, are educated to the very highest standards and the latest legislation
- Provides continued lifelong learning designed to strengthen the knowledge and skills of employee benefit and retirement savings practitioners in performing to the best of their ability
- Plays a pivotal role shaping the industry, working with government and collaborating with other bodies on research and thought leadership on key issues
- Presents an annual conference and a wide range of technical seminars from entry-level to those for highly experienced professionals
- Provides industry-leading insight, including PMI News, PMI TV, newsletters and blogs to keep practitioners abreast of the very latest developments in a rapidly changing industry
- Proactively has a voice in mainstream and social media with a presence on Twitter and LinkedIn

## PMI Qualifications

The PMI is the UK's leading professional body for those working in the field of employee benefits and retirement savings. It supports and develops the experts who are responsible for running the UK's pensions industry and is acknowledged as the body for establishing, maintaining and improving professional standards in every area of pension scheme management, consultancy and trusteeship.

PMI qualifications are recognised for both their depth and their standing within the industry. If you choose a single unit, standalone qualification, or a multi-unit qualification over a number of years, it is recognised by the Pensions Industry as having the depth and rigour to demonstrate the knowledge and expertise of those taking them.

## Syllabuses

Each syllabus area is presented in a form which is intended to give an indication of the depth and breadth of knowledge which is required. Each syllabus area is divided into sections with an initial statement, or learning outcome, indicating what is expected of learners and some notes in italics which give an indication of the way in which the initial statement should be interpreted.

The initial statement and notes use key words in heavy type to indicate the depth and/or breadth of knowledge which is required. The key words should be interpreted as follows:

**analyse** – interpret and examine in detail

**define** – make clear the exact meaning

**demonstrate** - explain or prove by reasoning/example

**describe** - give a detailed account of distinguish - mark the difference between – determine the value

**explain** - make clear or intelligible; illustrate the meaning of

**identify** - demonstrate what something is

**outline** - brief general explanation; summary without

detail **understand** - comprehend; have a thorough

knowledge of **interpret** - clarify/explain the meaning of something

This is then further broken down into Assessment Criteria. Assessment Criteria are descriptive statements that provide learners and instructors with information about the qualities, characteristics, and aspects of a given learning task. Fundamentally, they specify clearly the standards that must be met and what evidence will be used to show achievement of learning outcomes

## Support and Recognition

These qualifications have been developed with the support of centres who are currently delivering qualifications at this level, or who plan to do so in the future, and from the Industry bodies that support Pension Trustees in the United Kingdom.

## Who are these qualifications aimed at?

This suite of qualifications will be of interest to a variety of learners including:

- pension scheme administrators working in either defined benefit (DB) or defined contribution (DC) schemes, or both in Nigeria.
- Nigerian organisations who wish their pensions administrators to select and construct a competence-based qualification that reflects their normal working activities.
- those interested in Nigerian Pensions
- current Nigerian Pensions practitioners in other fields within the sector

## Prerequisite Level of Knowledge or Experience

At **Level 3** the qualification would assume that a person who was taking this examination had the necessary level of knowledge and understanding to complete a qualification at Level 3 and in normal circumstances would be working in the Pensions sector.

At **Level 4** we would have expected the learner to have completed the qualification at Level 3 (Stage 1) and be more experienced in the sector and have a greater understanding and a higher level of learning.

At **Level 5** then we again would expect the learner to have completed the qualifications at **Level 3** (Stage 1) and **Level 4** (Stage 2) and be able to demonstrate knowledge of the subject which goes beyond the taught level.

## Assessment

Assessment is by written exam across all units.

There are three examination sessions per year, and all candidates would be required to commence from Stage One and gradually progress to Stage Three of the Exams.

The examinations sessions annually would be held in:

- March
- July
- November

Some elements of the Level 5 qualification are only examined twice a year in the Spring and in Autumn (April and September) – these are:

<b>CPA 011</b>	Calculate and Quote DB & DC Pension Scheme Death Benefits for Members without Special Circumstances
<b>CPA 012</b>	Calculate and Quote DB & DC Pension Scheme Leavers
<b>CPA 013</b>	Calculate and Quote DB & DC Pension Scheme Retirement Benefits for Members without Special Circumstances
<b>CPA 014</b>	Calculate and Quote DB & DC Pension Scheme Transfers In and Transfers Out for Members.

## Recommended Study Time

This is also known as **Total Qualification Time (TQT)** (for this unit)

TQT is a measure required by Ofqual the qualifications regulator and is comprised of:

- Guided Learning Hours (GLH). This means time spent being taught by an instructor (and not necessarily face to face); and
- Study Time. This means self-study/revision/reading
- Assessment Time: This is both Formative and Summative (Mock Exams and Final Exams)

The above estimates are based on evidence we have gathered from users of our qualifications, past experience and benchmarking exercises. The evidence we have gathered indicates that there is considerable variation within the overall TQT estimates as blended approaches are common with differing mixes of Guided Learning and other elements which contribute to TQT. These estimates are reviewed regularly.

## Structure of the Level 3 Award in Pensions Administration and Practice

### (Nigeria) Stage One

Stage one contains 12 units:

Unit Code	Unit/Module	Source	Status
NGP 001	Overview of the Nigerian Pension Industry	NIGERIAN	Mandatory
NGP 002	Overview of Pension Funds Administration	NIGERIAN	Mandatory
CPA 001	Applying Overriding Regulatory Requirements	CPA	Mandatory
CPE 004	Pension Transfers in Occupational Pension Schemes	CPE	Mandatory
CPE 006	Advanced Pension Commencement Lump Sum Rules (including Scheme Specific Protection)	CPE	Mandatory
CPE 001	HMRC Rules Overview	CPE	Elective
CPE 002	Trivial Commutation and Small Lump Sums for Occupational Pension Schemes	CPE	Elective
CPE 003	Pension Schemes and Divorce	CPE	Elective
CPE 005	Career Average Revalued Earnings Occupational Pension Schemes	CPE	Elective
CPA 002	Monitor Ongoing Entitlement to Pension Scheme Benefits	CPA	Elective
CPA 003	Payment of Pension Scheme Benefits	CPA	Elective
CPA 004	Create and Update Pension Scheme Records for New and Existing Members	CPA	Elective

To achieve certification of the **Level 3 Award in Pensions Administration and Practice**, then level the learner must choose (and pass) the following units:

Certification Stage	Selection	Total Units
Stage One	<ul style="list-style-type: none"> <li>2 Mandatory NGP Units</li> <li>2 Mandatory CPE Plus 2 Elective CPE Units</li> <li>1 Mandatory CPA Plus 2 Elective CPA Units</li> </ul>	— 2 NGP Units — 4 CPE Units — 3 CPA Units <b>9 Units in Total</b>

### Total Qualification Time

For the **Level 3 Award in Pensions Administration and Practice (Nigeria)**, this is guided as:

Guided learning hours (GLH)	225	(Classroom time) (9 x 25 hours per unit)
Self-study (SS)	45	(Homework) (5 hours per units)
Formative Assessment (F)	18	(Tests) (9 x 2 hours)
Summative Assessment (S)	18	(Online Exams) (9 x 2 hours)
Total Assessment Time (TAT)	36	(F+S)
<b>Total Qualification Time</b>	<b>306 Hours (GLH+SS+TAT)</b>	



## Structure of the Level 4 Certificate in Pensions Administration and

### Practice (Nigeria) Stage Two

Stage two contains 13 Units:

Unit Code	Unit/Module	Source	Status
NGP 003	Core Responsibilities of a Pension Fund Administrator	NIGERIAN	Mandatory
NGP 004	Features and Benefits of Pensions in Nigeria	NIGERIAN	Mandatory
CPE 009	Revaluation and Pension Increases for Defined Benefit Pension Schemes	CPE	Mandatory
CPA 005	Process Applications for Pension Scheme Transfers Out	CPA	Mandatory
CPE 007	Basic Pension Commencement Lump Sum Rules	CPE	Elective
CPE 008	Reporting Requirements for Occupational Pension Schemes	CPE	Elective
CPE 010	Protecting a Member's Pension Benefits from Tax Charges	CPE	Elective
CPE 011	Introduction to Pension Scheme Discontinuance	CPE	Elective
CPE 012	Underfunded Schemes in discontinuance	CPE	Elective
CPA 006	Process Pension Scheme Retirement Benefits	CPA	Elective
CPA 007	Process and Validate Pension Scheme Data for Periodic Events	CPA	Elective
CPA 008	Process Applications for Pension Scheme Early Leavers	CPA	Elective
CPA 009	Process Pension Scheme Death Benefits	CPA	Elective

To achieve certification at **Stage Two**, then level the learner must choose (and pass) the following units:

Certification Stage	Selection	Total Units
<b>Stage Two</b>	<ul style="list-style-type: none"> <li>• 2 Mandatory NGP</li> <li>• 1 Mandatory CPE Plus 2 Elective CPE Units</li> <li>• 1 Mandatory CPA Plus 2 Elective CPA Units</li> </ul>	<ul style="list-style-type: none"> <li>— 3 CPE Units</li> <li>— 3 CPA Units</li> <li>— 2 NGP Units</li> </ul>
	<b>8 Units in Total</b>	

## Total Qualification Time

For the **Level 4 Certificate in Pensions Administration and Practice (Nigeria)**, this is guided as:

Guided learning hours (GLH)	200	(Classroom time) (8 x 25 hours per unit)
Self-study (SS)	40	(Homework) (5 hours per units)
Formative Assessment (F)	16	(Tests) (8 x 2 hours)
Summative Assessment (S)	16	(Online Exams) (8 x 2 hours)
Total Assessment Time (TAT)	36	(F+S)
<b>Total Qualification Time</b>	<b>276 Hours (GLH+SS+TAT)</b>	

## Structure of the Level 5 Diploma in Pensions Administration and Practice

### (Nigeria) Stage Three

Stage three contains 14 Units:

Unit Code	Unit/Module	Source	Status
NGP 005	Important Features/Factors of Defined Benefit and Defined Contributory Scheme	NIGERIAN	Mandatory
NGP 006	Understand the Risk based approach to Pension Administration	NIGERIAN	Mandatory
NGP 007	Nigerian Pension Regulation and Legislation	NIGERIAN	Mandatory
CPE 018	Introduction to Investment Regulated Pension Schemes	CPE	Mandatory
CPA 010	Process Pension Scheme Transfers In	CPA	Mandatory
PMI 001	Action Research Project	PMI	Mandatory
CPE 013	Unauthorised Payments for Registered Pension Schemes	CPE	Elective
CPE 014	Overview of Automatic Enrolment	CPE	Elective
CPE 015	Short Service Refund Lump Sums for Occupational Pension Schemes	CPE	Elective
CPE 016	Introduction to Occupational Pension Scheme Death Benefits	CPE	Elective
CPE 017	The Annual Allowance	CPE	Elective
CPA 011	Calculate and Quote DB & DC Pension Scheme Death Benefits for Members without Special Circumstances	CPA	Elective
CPA 012	Calculate and Quote DB & DC Pension Scheme Leavers	CPA	Elective
CPA 013	Calculate and Quote DB & DC Pension Scheme Retirement Benefits for Members without Special Circumstances	CPA	Elective
CPA 014	Calculate and Quote DB & DC Pension Scheme Transfers In and Transfers Out for Members.	CPA	Elective

To achieve certification at **Stage Three**, then level the learner must choose (and pass) the following units:

Certification Stage	Selection	Total Units
Stage Three	<ul style="list-style-type: none"> <li>• 3 Mandatory NGP Units</li> <li>• 1 Mandatory CPE Plus 2 Elective CPE Units</li> <li>• 1 Mandatory CPA Plus 1 Elective CPA Unit</li> <li>• 1 Mandatory Action Research Report</li> </ul>	<ul style="list-style-type: none"> <li>— 3 NGP Units</li> <li>— 3 CPE Units</li> <li>— 2 CPA Units</li> <li>— 1 Research Report</li> </ul>
	<b>9 Units in Total</b>	

## Total Qualification Time

For the **Level 5 Diploma in Pensions Administration and Practice (Nigeria)**, this is guided as:

Guided learning hours (GLH)	240	(Classroom time) (8 x 30 hours per unit)
Action Research Project	80	30 hours classroom methodology 50 hours research and production of report
Self-study (SS)	48	(Homework) (6 hours per units)
Formative Assessment (F)	28	(Tests) (8 x 3.5 hours)
Summative Assessment (S)	28	(Online Exams) (8 x 3.5 hours)
Total Assessment Time (TAT)	36	(F+S)
<b>Total Qualification Time</b>		<b>404 Hours (GLH+SS+TAT)</b>

## Study and Preparation

There is no intention to produce any study materials to cover the technical content of this qualification, although there are many textbooks on the subject content, and a reading list can be provided.

Training and Assessment will be overseen in Nigeria by the Centre for Enterprise Management and Research (CEMAR).

## Fees

The costs of unit certificates can be found on the PMI website under the Fees section.

All Nigerian Units, and the Action Research Unit will be guided by the same price structure for unit certification.

The cost of the PMI examined units (CPA 011-014) can be found on the PMI website under the section entitled Certificate in Pensions Calculations under the relevant unit title.

## Certification and Membership

A final qualification certificate is awarded on successful completion of each individual Stage.

The learner will initially be enrolled as a VQ student. All learners would be required to commence from Stage One and gradually progress to Stage Three of the Exams.

Only upon successful completion/passing of the examinations covering the required Units at Level 3 and Level 4 would a candidate be awarded the **Level 5 Diploma in Pensions Administration & Practice (Nigeria)**.

## Level 3 Award in Pensions Administration and Practice (Nigeria)

# MANADATORY UNIT

### UNIT NGP 001

#### OVERVIEW OF THE NIGERIAN PENSION INDUSTRY

### Aim

The aim of this unit is to understand the overriding regulatory requirements for the administration of pension schemes. Moreover, it discusses how governing bodies interact with pension schemes and the consequences of non-compliance in meeting the overriding regulatory requirements.

It provides for knowledge of the current legislation concerning the difference between giving financial information and financial advice and the signatures and authorisations you need to settle benefits and/or to provide information.

### Learning Outcomes

On successful completion of this unit learners will know and understand the:

- Definition and background of the Pension Reforms
- Features of the Pillar system and the adoption

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Understand the and define the features and background of the Nigerian Pension Reforms</li> <li>2. Outline the features of the Pillar system and the adoption</li> </ol>	<p><b>(A) Background</b></p> <ul style="list-style-type: none"> <li>• Pensions Reform Act 2014</li> <li>• Challenges of Pensions Administration in Nigeria</li> <li>• Post 2014 Pension Reform Act and Nigeria Economic Growth</li> <li>• The major players in Pensions Reform Scheme</li> </ul> <p><b>(B) Pillar System</b></p> <ul style="list-style-type: none"> <li>• What is the pilar system</li> <li>• How can this be implemented</li> </ul>

## Level 3 Award in Pensions Administration and Practice (Nigeria)

# MANADATORY UNIT

UNIT NGP 002

### OVERVIEW OF PENSION FUNDS ADMINISTRATION

#### Aim

The aim of this unit is to provide knowledge of Nigerian Pensions Funds administration by reviewing the basic structure and operation through regulations and guidelines, reviewing Investment mandates and Regimes and by understanding how Pensions Administration Operates in this sphere.

#### Learning Outcomes

On successful completion of this unit learners will know and understand the:

- Understand the basic structure of pensions funds
- Outline the regulations and guidelines necessary to operate in the market
- Explain investment mandates, Retirement Saving's Accounts and Regimes
- Understand the requirements of Pension Administration in Nigerian pensions

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand the basic structure of pensions funds</li> <li>2. Outline the regulations and guidelines necessary to operate in the market</li> <li>3. Explain investment mandates, Retirement Saving's Accounts and Regimes</li> <li>4. Understand the requirements of Pension Administration in Nigerian pensions</li> </ol>	<p><b>(A) Understand:</b></p> <ul style="list-style-type: none"> <li>• Basic structure of Nigerian Pension Schemes</li> <li>• Regulations and Guidelines of Nigerian Pensions</li> <li>• Investment mandates and Regimes</li> <li>• Pension Administration in operation</li> </ul>

Level 4 Certificate in Pensions Administration and Practice (Nigeria)

## MANADATORY UNIT

UNIT NGP 003

### CORE RESPONSIBILITIES OF A PENSION FUND ADMINISTRATOR

#### Aim

This unit is aimed at those working in Pensions (or wanting to) in Nigeria. It outlines the role responsibilities and activities of a Pensions Administrator dealing with Nigerian Pensions and Pension Schemes.

#### Learning Outcomes

On successful completion of this unit learners will know and understand the:

- Understand the Roles and responsibilities of a Pensions Funds Administrator in Nigeria
- Outline the work involved in pensions administration in Nigeria

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand the Roles and responsibilities of a Pensions Funds Administrator in Nigeria</li> <li>2. Outline the work involved in pensions administration in Nigeria</li> </ol>	<p><b>(A) Understand how to:</b></p> <ul style="list-style-type: none"> <li>• Enrol employees in respective pension fund types</li> <li>• Calculate plan beneficiary entitlement(s)</li> <li>• Make scheduled payments to beneficiaries</li> <li>• Ensure maintenance and provision of accurate plan data</li> <li>• Pay pension benefits to beneficiaries</li> <li>• Pay pension as and when due</li> <li>• Attend to enquiries, concerns and complaints from participants and other stakeholders</li> </ul>

Level 4 Certificate in Pensions Administration and Practice (Nigeria)

## MANADATORY UNIT

UNIT NGP 004

### THE FEATURES AND BENEFITS OF NIGERIAN PENSIONS

#### Aim

This aim of this unit is to provide understanding of the key features and benefits of Nigerian Pensions that have developed through the various Pensions Reform Acts.

It provides knowledge of guaranteed minimum Pensions (GMP and/or income through to planned drawdown activity).

#### Learning Outcomes

On successful completion of this unit learners will:

- Understand the main features and benefits of Pension Funds in Nigeria

Performance Criteria You can:	Syllabus You will:
<p>1. Understand the main features and benefits of Pension Funds in Nigeria</p>	<p><b>(A) Understand the:</b></p> <ul style="list-style-type: none"> <li>• Guaranteed minimum pension/income</li> <li>• The Pension Calculation Template</li> <li>• Annuity and Programmed withdrawal</li> </ul>

Level 5 Diploma in Pensions Administration and Practice (Nigeria)

## MANDATORY UNIT

UNIT NGP 005

### IMPORTANT FEATURES/FACTORS OF DEFINED BENEFIT AND DEFINED CONTRIBUTORY SCHEME

#### Aim

This aim of this unit is to provide understanding of the key features and factors involved in Defined Benefit and Defined Contribution Pensions Schemes, and the emergence of Hybrid Schemes.

It discusses the key factors of each scheme in detail to provide the background for the emergence of hybrid (Combined Defined Contribution) schemes (CDC's).

#### Learning Outcomes

On successful completion of this unit learners will:

- The main features and factors of Defined Benefit Schemes
- The main features and factors of Defied Contribution Schemes
- The main features and Factors of Hybrid Schemes (CDC's)

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. The main features and factors of Defined Benefit Schemes</li> <li>2. The main features and factors of Defied Contribution Schemes</li> <li>3. The main features and Factors of Hybrid Schemes (CDC's)</li> </ol>	<p><b>(A) Understand the main features and operation of:</b></p> <ul style="list-style-type: none"> <li>• Defined Benefit Schemes</li> <li>• Defied Contribution Schemes</li> <li>• Hybrid Schemes (CDC's)</li> </ul>



Level 5 Diploma in Pensions Administration and Practice (Nigeria)

## MANDATORY UNIT

UNIT NGP 006

UNDERSTAND THE RISK BASED APPROACH AND PHILOSOPHY OF PENCOM (NIGERIAN PENSIONS COMMISSION)

### Aim

This aim of this unit is to provide understanding of the key features and factors involved in Defined Benefit and Defined Contribution Pensions Schemes, and the emergence of Hybrid Schemes.

It discusses the key factors of each scheme in detail to provide the background for the emergence of hybrid (Combined Defined Contribution) schemes (CDC's).

## Learning Outcomes

On successful completion of this unit learners will:

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Explain the administration of Fund Management</li> <li>2. Understand the purpose of Record keeping and Valuation</li> </ol>	<p><b>Understand and have knowledge of:</b></p> <p><b>(A)</b> Managing the fund's, asset/liability management, preparation of special financial or risk management reports, and the establishment of and adherence to a Statement of Investment Policies and Procedures in line with Investment Regulation issued by the Commission</p> <p><b>(B)</b> Keeping accurate and up-to-date records is vital as a management tools and be accurate, reliable, easy to follow, consistent and simple</p> <p>Its importance in meeting the financial commitments of the business and providing information on which decisions for the future of the business can be based</p> <p>(The Pension Reform Act 2014) and the mandatory need for all licensed pension Fund operators to maintain proper books of account and records</p> <p>Fund Valuation including the method and way PFAs calculate the value of net assets under management and the value of an accounting unit for the equitable pricing of interest of each individual contributor of a pension fund</p>

<ul style="list-style-type: none"><li><b>3.</b> Explain the role of administration within a pension fund</li><li><b>4.</b> Understand the functions of Benefits Administration</li><li><b>5.</b> Explain the importance of Information and Communication Technology</li><li><b>6.</b> Outline the need and significance of excellent service delivery</li></ul>	<ul style="list-style-type: none"><li><b>(C)</b> The general administration of the fund. It includes items such as opening and maintenance of RSA's for members, uploading and reconciliation of remitted contributions and record keeping</li><li><b>(D)</b> Activities such as benefit calculations, benefit payments, regulatory reporting</li><li><b>(E)</b> The deployment of software and hardware systems that are robust, and efficient for the effective Administration and Management of the Pension Funds and Assets under Management</li><li><b>(F)</b> Customer Support Services, including attending to enquiries, statements rendition, website management, members' education, branches, and service centers management</li></ul>
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## Level 5 Diploma in Pensions Administration and Practice (Nigeria)

# MANDATORY UNIT

UNIT NGP 007

## NIGERIAN PENSIONS REGULATION AND LEGISLATION

### Aim

This aim of this unit is to provide deeper understanding of the key features of Regulation of Nigerian Pensions, and the legislation that surrounds it.

It looks at the regulation of current pensions in Nigeria and the legislation surrounding pensions since 1951 to the Pensions Reforms Act of 2014.

### Learning Outcomes

On successful completion of this unit learners will:

- Understand regulation of Nigerian Pensions
- Have knowledge of the legislation introduced and reforms to pensions in Nigeria since 1951.

Performance Criteria You can:	Syllabus You will:
<p><b>1.</b> Understand regulation of Nigerian Pensions</p>	<p><b>(A) Regulation</b></p> <ul style="list-style-type: none"> <li>• Data Privacy Policy</li> <li>• Regulation for Compliance Officers</li> <li>• Regulation for the Administration of Legacy Pension Assets</li> <li>• Regulation for the Transfer of Retirement Savings Account</li> <li>• Regulation on Annuity</li> <li>• Regulation on Fee Sharing Between Pension Operators and State Pension Bureau</li> <li>• Regulation on Fees Structure</li> <li>• Regulation on Investment of Pension Funds Asset</li> <li>• Regulation on Valuation of Pension Fund Assets</li> <li>• Regulations for Auditing Pensions Funds</li> <li>• Regulations For the Administration Of Retirement And Terminal Benefits</li> </ul>

2. Have knowledge of the legislation introduced and reforms to pensions in Nigeria since 1951.

**(B) Legislation**

- Pension Ordinance of 1951
- The National Provident Fund (NPF) scheme 1961
- The Pension Act No. 102 of 1979
- The Armed Forces Pension Act No. 103 of 1979
- The Police and Other Government Agencies Pension Act No. 75 of 1987
- The Local Government Pension Edict of 1987
- The National Social Insurance Trust Fund scheme of Decree No. 73 of 1993.
- The Pension Reform Act (PRA) 2004
- The Pension Reform Act (PRA) 2014

## Level 3 Award in Pensions Administration and Practice (Nigeria)

# MANADATORY UNIT

UNIT CPA 001

### APPLYING OVERRIDING REGULATORY REQUIREMENTS

#### Aim

The aim of this unit is to understand the overriding regulatory requirements for the administration of pension schemes. Moreover, it discusses how governing bodies interact with pension schemes and the consequences of non-compliance in meeting the overriding regulatory requirements.

It provides for knowledge of the current legislation concerning the difference between giving financial information and financial advice and the signatures and authorisations you need to settle benefits and/or to provide information.

On successful completion of this unit learners will know and understand how to:

- Apply overriding regulatory requirements for administration of pension schemes
- Explain how governing bodies interact with pension schemes

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Apply overriding regulatory requirements for administration of pension schemes</li> <li>2. Explain how governing bodies interact with pension schemes</li> </ol>	<p><b>(A) Apply overriding regulatory requirements in all of the following:</b></p> <ol style="list-style-type: none"> <li>(i) Disclosure regulations (including whistleblowing)</li> <li>(ii) Data protection</li> <li>(iii) Maintaining security and confidentiality</li> <li>(iv) HMRC allowances</li> <li>(v) The difference between giving financial advice and giving financial information</li> </ol> <p><b>(B) Explain how the following governing bodies interact with pension schemes:</b></p> <ol style="list-style-type: none"> <li>(i) The Pensions Regulator</li> <li>(ii) The Pensions Ombudsman</li> <li>(iii) The Pensions Advisory Service (TPAS)</li> <li>(iv) Pensionwise</li> <li>(v) Financial Conduct Authority (FCA)</li> <li>(vi) HMRC</li> </ol>

## Level 3 Award in Pensions Administration and Practice (Nigeria)

# ELECTIVE UNIT

### UNIT CPA 002

#### MONITORING ONGOING ENTITLEMENT TO PENSION SCHEME BENEFITS

### Aim

The aim of this unit is to determine whether benefits continue to be payable as specified in scheme regulations and how to apply validation methods to ensure data is correct.

It provides essential understanding of:

- What are the scheme's requirements for decisions related to the payment/cessation of benefits?
- The Organisational requirements for the resolution of queries, including referral to third parties (where appropriate).
- The Organisational requirements for confirming the continuing entitlement to pension scheme benefits to different categories of member.
- The Organisational procedures for the suspension and reinstatement of pensions.

### Learning Outcomes

On successful completion of this unit learners will know and understand:

- Confirmation of continuing entitlement
- Obtain information of continuing entitlement from the appropriate person/establishment
- Take follow-up action according to organisational timescales, where no response is received
- Re-assess continuing entitlement according to Scheme regulations
- Notify the relevant person of the effect of any change in entitlement in an appropriate and correct manner, within the required timescales
- Arrange for the adjustment of the pension with the paying agent, where necessary
- Update pension records to reflect the change in pension amounts or future reviews

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Identify the cases that require confirmation of continuing entitlement</li> <li>2. Obtain information of continuing entitlement from the appropriate person/establishment</li> </ol>	<p><b>(A) Process four cases covering at least two of the following types of reviews:</b></p> <ol style="list-style-type: none"> <li>(i) Dependents pensions</li> <li>(ii) Pensioners</li> <li>(iii) National Fraud Initiative</li> <li>(iv) Ill health</li> <li>(v) Spouse's pensions</li> <li>(vi) Temporary pensions</li> <li>(vii) Discretionary pension</li> </ol>
<ol style="list-style-type: none"> <li>3. Take follow-up action according to organisational timescales, where no response is received</li> <li>4. Re-assess continuing entitlement according to Scheme regulations</li> <li>5. Notify the relevant person of the effect of any change in entitlement in an appropriate and correct manner, within the required timescales</li> <li>6. Arrange for the adjustment of the pension with the paying agent, where necessary</li> <li>7. Update pension records to reflect the change in pension amounts or future reviews</li> </ol>	<p><b>(B) Identify the follow-up action that needs to be taken where no response is received for at least two of the following:</b></p> <ol style="list-style-type: none"> <li>(i) Sending out reminders</li> <li>(ii) Using other means to contact the members</li> <li>(iii) Escalating to management for further action or investigation</li> <li>(iv) Arranging to suspend pension</li> </ol> <p><b>(C) Ensure that scheme, regulatory and/or organisational service level agreement timescales are met</b></p>



## Level 3 Award in Pensions Administration and Practice (Nigeria)

# ELECTIVE UNIT

### UNIT CPA 003

#### PAYMENT OF PENSION SCHEME BENEFITS

##### Aim

The aim of this unit is to deliver the practices and procedures for payment of benefits, including requirements and forms required.

It also addresses the internal procedures that are needed to follow and the records that need to be updated on payment of benefit(s); awareness of the implications of PAYE for payment of pension scheme benefits, The different payment methods and frequency of payment used and organisational timescales and understanding the consequences of non-compliance.

In terms of administration, it allows the learner to gain knowledge of the requirements for notification to paying agents and HMRC; where to identify sources of information for the resolution of queries and the circumstances under which pensions would be suspended and the procedures for BACS recalls, and/or returned payments.

##### Learning Outcomes

On successful completion of this unit learners will know and understand how to:

- Check that all sums authorised for payment match the benefits calculated
- Check every notification received for proper authorisation, according to organisational procedures
- Investigate and resolve any queries in member details
- Payments are processed according to organisational requirements
- Correctly set up any payroll records according to regulatory and organisational requirements
- Ensure changes affecting the payment of pensions are actioned, according to organisational payroll timescale
- Investigate the reasons for returned payments and re-issue or suspend if necessary
- If necessary, take appropriate steps to establish contact with pensioners with whom the organisation has lost contact

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Check that all sums authorised for payment match the benefits calculated</li> <li>2. Check every notification received for proper authorisation, according to organisational procedures Investigate and resolve any queries in member details</li> <li>3. Payments are processed according to organisational requirements</li> <li>4. Correctly set up any payroll records according to regulatory and organisational requirements</li> <li>5. Ensure changes affecting the payment of pensions are actioned, according to organisational payroll timescale</li> <li>6. Investigate the reasons for returned payments and re-issue or suspend if necessary</li> <li>7. If necessary, take appropriate steps to establish contact with pensioners with whom the organisation has lost contact</li> </ol>	<p><b>(A) Identify five new payments covering at least three of the following categories:</b></p> <ul style="list-style-type: none"> <li>(i) New pensioner</li> <li>(ii) New dependant</li> <li>(iii) Terminal/final/commuted payment</li> <li>(iv) Recalculation of benefits</li> <li>(v) Deaths</li> <li>(vi) Transfers out</li> <li>(vii) Refund of contributions</li> </ul> <p><b>(B) Resolve two queries using any of the following methods:</b></p> <ul style="list-style-type: none"> <li>(i) Own discretion</li> <li>(ii) Another appropriate person</li> </ul> <p><b>(C) Process eight changes from three of the following categories:</b></p> <ul style="list-style-type: none"> <li>(i) Change of address</li> <li>(ii) Change of bank details</li> <li>(iii) Changes to deductions from pension</li> <li>(iv) Change of payment method</li> <li>(v) Change of tax code</li> <li>(vi) Change to pension tranches at state pension age</li> <li>(vii) Other</li> </ul> <p><b>(D) Take appropriate steps to establish contact using any of the following methods:</b></p> <ul style="list-style-type: none"> <li>(i) Bank or building society</li> <li>(ii) Internal departments</li> <li>(iii) HMRC</li> <li>(iv) Tracing agency</li> <li>(v) Other</li> </ul> <p><b>(E) Ensure that scheme, regulatory and/or organisational service level agreement timescales are met</b></p>

## Level 3 Award in Pensions Administration and Practice (Nigeria)

# ELECTIVE UNIT

UNIT CPA 004

### CREATE AND UPDATE PENSION SCHEME RECORDS FOR NEW AND EXISTING MEMBERS

#### Aim

The aim of this unit is to provide the knowledge necessary to understand the internal procedures that you need to follow to create and update member records. It also discusses the implications of Auto Enrolment and how to apply relevant sections of scheme regulations/rules; identify sources of information for the resolution of queries and provides an overview of internal and scheme policies, practices and procedures for signatories and authorisations and ultimately how to apply these.

For administration of pensions it closes the loop to look at how administrators should check that the information they receive is acceptable and complete and the scheme requirements for medical advice/evidence and free cover limits (if any). For this purpose. It asks you to work within your own organisation's timescales for creating and updating member records.

#### Learning Outcomes

On successful completion of this unit candidates will know and understand:

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Validate for authorisation and eligibility all new member applications</li> <li>2. Accurately input all personal details to new member records</li> <li>3. Inform new member of their pensionable status, if applicable and complete new member records within required scheme or organisational service level agreement timescales</li> <li>4. Check all updates for proper authorisation</li> </ol>	<p><b>(A) Process a minimum of five new member applications</b></p> <p><b>(B) Correctly update eight members details including at least three of the following types of change:</b></p> <ul style="list-style-type: none"> <li>(i) Individual salary/pension income</li> <li>(ii) Employer within scheme</li> <li>(iii) Personal details</li> <li>(iv) Additional member contributions</li> <li>(v) Death/beneficiary nomination</li> <li>(vi) Leave of/temporary absence</li> <li>(vii) Change in working hours</li> <li>(viii) Amend benefit details</li> <li>(ix) DWP notifications</li> <li>(x) DC switching/lifestyling</li> <li>(xi) Opt-in/Opt-out</li> <li>(xii) Other (must specify)</li> </ul>

<p><b>5.</b> Accurately record complete member details using the appropriate pensions administration system</p> <p><b>6.</b> Correctly process all updates to member information within scheme or organisational service level agreements</p> <p><b>7.</b> Investigate and resolve any queries</p>	<p><b>(C) Resolve a minimum of two queries using any of the following methods:</b></p> <p>(i) Within own discretion</p> <p>(ii) Another appropriate person</p>
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## Level 4 Certificate in Pensions Administration and Practice (Nigeria)

# MANDATORY UNIT

UNIT CPA 005

## PROCESS APPLICATIONS FOR PENSION SCHEME TRANSFERS OUT

### Aim

The aim of this unit is to understand how to process transfer benefits as specified in the scheme requirements and how to accurately apply calculation methods and standard practices to the transfer options available to a member.

IT explains the process involved in disinvesting any DC funds and what the scheme's requirements for the discharge of benefits including any additional contributions. You will also learn how to apply scheme regulations in order to inform transferring members of appropriate options available to them and who the paying agents are and what information they require.

Administratively you will develop awareness of the internal procedures that you need to follow and records that need to be updated when settling benefits; the signatures and authorisations you need to settle benefits and/or to provide information, how to identify sources of information for resolution of queries and the circumstances under which benefits may need to be recalculated and the procedures to be followed.

### Learning Outcomes

On successful completion of this unit candidates will know and understand:

- Obtain proper authorisation for every transfer out request before further action is taken
- Provide relevant information to the Actuary or correctly calculate the transfer value, as applicable
- Inform all outgoing members of the options available to them in a format which complies with regulatory and scheme requirements
- Where the member proceeds to transfer ensure proper authorisation is received
- If appropriate, arrange for disinvestment of any DC funds (inc. DB schemes with DC AVCs, if the member opts to transfer them)
- Ensure transfer value is re-calculated if necessary
- Investigate and resolve any queries
- Provide information to the new scheme in accordance with scheme requirements
- Arrange payment of transfer values within required timescales
- Amend the leaver's records to reflect their change in membership status within timescales

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Obtain proper authorisation for every transfer out request before further action is taken</li> <li>2. Provide relevant information to the Actuary or correctly calculate the transfer value, as applicable</li> <li>3. Inform all outgoing members of the options available to them in a format which complies with regulatory and scheme requirements</li> <li>4. Where the member proceeds to transfer ensure proper authorisation is received</li> <li>5. If appropriate, arrange for disinvestment of any DC funds (inc. DB schemes with DC AVCs, if the member opts to transfer them)</li> <li>6. Ensure transfer value is re-calculated if necessary</li> <li>7. Investigate and resolve any queries</li> <li>8. Provide information to the new scheme in accordance with scheme requirements</li> <li>9. Arrange payment of transfer values within required timescales</li> <li>10. Amend the leaver's records to reflect their change in membership status within timescales</li> </ol>	<ol style="list-style-type: none"> <li>(A) Process five transfer out cases, two of which should be processed to payment stage</li> <li>(B) Resolve one query or unusual feature using any of the following methods:               <ol style="list-style-type: none"> <li>(i) Own discretion</li> <li>(ii) Another appropriate person</li> </ol> </li> <li>(C) Ensure that scheme, regulatory and/or organisational service level agreement timescales are met</li> </ol>

## ELECTIVE UNIT

### UNIT CPA 006

#### PROCESS PENSION SCHEME RETIREMENT BENEFITS

##### Aim

The purpose of this unit is to determine benefits and options as specified in scheme requirements. How to apply validation methods to ensure data is correct.

It details how to apply correct and appropriate calculation methods and standard practices and how benefits are affected by overriding legislation. Learners will then gain knowledge of the effect that a member's other pension benefits may have on their scheme benefits and what are the scheme's requirements for the discharge of benefits and how they are applied?

For the purposes of Administration, then Insight is given in when to apply pensions increase regulations when determining retirement benefits; the meaning of the term 'trustees discretion', what is meant by 'earmarking' and pension sharing on divorce and describe the additional information you need where part of member's pension has been 'earmarked' on divorce, the circumstances under which benefits may need to be recalculated and the procedures to be followed and how to identify sources of information for resolution of queries.

##### Learning Outcomes

On successful completion of this unit candidates will know and understand:

- Follow the correct procedure to ensure that all notifications of retirement benefits are approved by the appropriate person, if applicable
- Validate the eligibility of retiring members and their member's record against scheme regulations/rules
- Validate the member's level of pay or fund value on which benefits are to be based and investigate and resolve any queries
- Correctly calculate retirement benefits according to the scheme rules – taking into account any special circumstances that may be applicable to the member
- Take into account any overriding regulatory legislation that may affect sums payable to the member
- Accurately re-calculate revised benefits as necessary
- Inform the retiring member of the correct elected options available to them within required timescales
- Amend the retiring member's records to reflect their change in membership status

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Follow the correct procedure to ensure that all notifications of retirement benefits are approved by the appropriate person, if applicable</li> <li>2. Validate the eligibility of retiring members and their member's record against scheme regulations/rules</li> <li>3. Validate the member's level of pay or fund value on which benefits are to be based and investigate and resolve any queries</li> <li>4. Correctly calculate retirement benefits according to the scheme rules – taking into account any special circumstances that may be applicable to the member</li> <li>5. Take into account any overriding regulatory legislation that may affect sums payable to the member</li> <li>6. Accurately re-calculate revised benefits as necessary</li> <li>7. Inform the retiring member of the correct elected options available to them within required timescales</li> <li>8. Amend the retiring member's records to reflect their change in membership status</li> </ol>	<p>(A) Follow the correct organisational and regulatory procedures to process a minimum of five applications for retirement benefits, covering three of the following types:</p> <ul style="list-style-type: none"> <li>• Normal retirement</li> <li>• Ill health retirement</li> <li>• Voluntary early retirement</li> <li>• Late retirement</li> <li>• Retirement from deferred</li> </ul> <p>(B) Process retirement benefits with reference to at least three of the following, as applicable:</p> <ul style="list-style-type: none"> <li>• Application for benefits</li> <li>• Employer/trustee authorisation</li> <li>• Evidence of medical certification</li> <li>• Trivial Commutation</li> <li>• Open market options</li> </ul> <p>(C) Investigate and resolve at least one query using any of the following methods:</p> <ul style="list-style-type: none"> <li>• Within own discretion</li> <li>• Another appropriate person</li> </ul> <p>(D) Take into account three of the following special circumstances:</p> <ul style="list-style-type: none"> <li>• AVCs</li> <li>• Benefits in other schemes</li> <li>• Transfers in</li> <li>• Pension credits/debits or attachment orders</li> <li>• Amendments for existing members</li> <li>• Part time Member</li> <li>• Additional member contributions</li> <li>• Other (must specify on assessment)</li> <li>• HMRC Allowances</li> </ul> <p>(E) Ensure that scheme, regulatory and/or organisational service level agreement timescales are met</p>



## Level 4 Certificate in Pensions Administration and Practice (Nigeria)

# ELECTIVE UNIT

UNIT CPA 007

## PROCESS AND VALIDATE PENSION SCHEME DATA FOR PERIODIC EVENTS

### Aim

The aim of this unit is to provide learners with the necessary knowledge to process and validate pensions scheme data of regularly occurring events.

It provides an overview of good governance and data management by discussing:

- How to resolve any discrepancies or omissions in scheme data
- What data needs reconciliation and why
- The (your own) organisation's timescales for scheme updating
- The scheme requirements for medical evidence and free cover limits (if any).

It then develops processes for dealing with the circumstances when schemes are obliged to send periodic statements to members and the information these statements must contain for all types of occupational schemes and how the updating of scheme records impacts on the information contained in the trustees' report and/or scheme accounts.

As with all good administration the 'golden thread' is in its reference to identifying sources of information for resolution of queries to give a breadth of coverage across different (periodic) events.

### Learning Outcomes

On successful completion of this unit candidates will know and understand:

- How to check pension scheme data is complete, and in an acceptable format
- How to verify accuracy of scheme data using the appropriate pension scheme administration system
- How to access data in order to action the periodic event
- How to investigate and resolve any queries generated by the update process
- How to produce and issue the member communication e.g. annual benefit statements, where appropriate, within the required timescales
- How to complete the required process e.g. send monies and communications, where appropriate

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Check pension scheme data is complete, and in an acceptable format</li> <li>2. Verify accuracy of scheme data using the appropriate pension scheme administration system</li> <li>3. Access data in order to action the periodic event</li> <li>4. Investigate and resolve any queries generated by the update process</li> <li>5. Produce and issue the member communication e.g. annual benefit statements, where appropriate, within the required timescales</li> <li>6. Complete the required process e.g. send monies and communications, where appropriate</li> </ol>	<p><b>(A) Reconcile member records, for at least one scheme or employer with pension scheme data</b></p> <p><b>(B) Resolve at least four of the following queries:</b></p> <ul style="list-style-type: none"> <li>• Member record not found</li> <li>• Member has left the scheme</li> <li>• Surname does not match</li> <li>• National Insurance number does not match</li> <li>• Member has multiple records</li> <li>• Pay figure missing</li> <li>• Contribution amount not as expected</li> <li>• Other (must specify in assessment)</li> </ul> <p><b>(C) Ensure that scheme, regulatory and/or organisational service level agreement timescales are met</b></p>

## NOTE

Periodic Event may mean:

- Employer Returns
- Annual Renewal
- Payroll Data
- AVC Fund Values
- Contributions for a DC pension scheme
- DC monthly investment cycle
- DC life styling
- Benefit statements

## ELECTIVE UNIT

UNIT CPA 008

### PROCESS APPLICATIONS FOR PENSION SCHEME EARLY LEAVERS

#### Aim

The aim of this unit is to understand how to interpret and apply regulatory and scheme regulations/rules to determine leaver's benefits.

This involves accurately applying calculation methods and standard practices and understanding what are the scheme's requirements for the discharge of benefits, i.e. the signatures and authorisations you need to settle benefits and/or to provide information.

It also provides the knowledge that is necessary of how to apply scheme regulations in order to inform leavers of appropriate options available to them, the internal procedures that you need to follow and records that need to be updated when settling benefits and the circumstances under which benefits may need to be recalculated and the procedures to be followed.

As with other units it allows for this across the identification of different situations and through identification of different/multiple sources of information for resolution of any query(ies).

#### Learning Outcomes

On successful completion of this unit candidates will know and understand:

- Obtain proper authorisation for every leaver before further action is taken
- Investigate and resolve any queries or unusual features
- Calculate the leaver's entitlement taking into account any special circumstances that may be applicable to the member
- Inform the member of the options available to them within the required timescales
- Take any necessary follow up action, within the required timescales, where no response has been received concerning options
- Take appropriate steps to arrange payment where necessary
- Re-calculate revised benefits as necessary
- Amend the leaver's records promptly to reflect their change in membership

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Obtain proper authorisation for every leaver before further action is taken</li> <li>2. Investigate and resolve any queries or unusual features</li> </ol>	<p>(A) Correctly update records for five leavers</p>

<ol style="list-style-type: none"> <li>3. Calculate the leaver's entitlement taking into account any special circumstances that may be applicable to the member</li> <li>4. Inform the member of the options available to them within the required timescales</li> <li>5. Take any necessary follow up action, within the required timescales, where no response has been received concerning options</li> <li>6. Take appropriate steps to arrange payment where necessary</li> <li>7. Re-calculate revised benefits as necessary</li> <li>8. Amend the leaver's records promptly to reflect their change in membership</li> </ol>	<p>(B) Provide information for five leavers for any of the following options. At least two must be a deferred option:</p> <ul style="list-style-type: none"> <li>• Refund only</li> <li>• Deferred benefits</li> <li>• Transfer value</li> <li>• Dual Options</li> </ul> <p>(C) Resolve at least one query using any of the following methods:</p> <ul style="list-style-type: none"> <li>• Within own discretion</li> <li>• Another appropriate person</li> </ul> <p>(D) Take into account two of the following special circumstances:</p> <ul style="list-style-type: none"> <li>• AVCs</li> <li>• Part timers</li> <li>• Benefits in other schemes</li> <li>• Transfers in</li> <li>• Pension credits/debits or attachment orders</li> <li>• Other amendments for existing members</li> <li>• Additional member Contributions</li> <li>• Opt-outs</li> <li>• Redundancy</li> <li>• Dismissal</li> <li>• Maternity Leave</li> </ul> <p>(E) Ensure that scheme, regulatory and/or organisational service level agreement timescales are met</p>
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## Level 4 Certificate in Pensions Administration and Practice (Nigeria)

# ELECTIVE UNIT

UNIT CPA 009

## PROCESS PENSION SCHEME DEATH BENEFITS

### Aim

The aim of this unit is to interpret and apply regulatory and scheme regulations/rules following a death notification and understand how benefits are affected by scheme regulations/rules (taking into account overriding regulatory legislation). As the unit develops then learners will be expected to perform calculation (from given data) of scheme benefits in the event of the death of a scheme member.

As the unit deals with individual scheme members personal data, it also addresses the procedures in place to maintain security and confidentiality, including the GDPR (post Brexit) and general data protection procedures.

### Learning Outcomes

On successful completion of this unit candidates will know and understand:

- How to check death notifications for death benefits are authorised and supported by relevant documentation
- How and where to locate and validate member's record against the death notification
- How to fully validate the eligibility of beneficiaries to receive member's death benefits against the Scheme regulations
- How to validate the member's level of pay or fund value on which benefits are to be based
- How to calculate death benefits, taking into account any special circumstances according to Scheme rules
- When to take into account any overriding regulatory legislation that may affect sums payable to the beneficiaries
- When to notify beneficiaries of their entitlements in an appropriate and correct manner within the required timescales
- How to promptly arrange payments of the death benefits and any ongoing dependant's pension with the paying agent
- How to update deceased member's records to reflect their change of member status

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Check death notifications for death benefits are authorised and supported by relevant documentation</li> <li>2. Locate and validate member's record against the death notification</li> <li>3. Fully validate the eligibility of beneficiaries to receive member's death benefits against the Scheme regulations</li> <li>4. Validate the member's level of pay or fund value on which benefits are to be based</li> <li>5. Calculate death benefits, taking into account any special circumstances according to Scheme rules</li> <li>6. Take into account any overriding regulatory legislation that may affect sums payable to the beneficiaries</li> <li>7. Notify beneficiaries of their entitlements in an appropriate and correct manner within the required timescales</li> <li>8. Promptly arrange payments of the death benefits and any ongoing dependant's pension with the paying agent</li> <li>9. Update deceased member's records to reflect their change of member status</li> </ol>	<p><b>(A) Process three different types of death benefits, one of which may be simulated from the following:</b></p> <ul style="list-style-type: none"> <li>• Death in service</li> <li>• Death after retirement</li> <li>• Death in deferment</li> <li>• Death of a dependent in receipt of a pension</li> </ul> <p><b>(B) Validate the eligibility of at least two of the following categories of beneficiary:</b></p> <ul style="list-style-type: none"> <li>• Spouse/civil partner/nominated partner</li> <li>• Child(ren)</li> <li>• Death grant</li> <li>• nominee(s)/expression of wish</li> <li>• Death grant with no nomination</li> </ul> <p><b>(C) Process death notifications with reference to at least two of the following, as applicable:</b></p> <ul style="list-style-type: none"> <li>• Employer/trustee authorisation</li> <li>• Certificates of marriage, death and birth certificates of dependents</li> <li>• Letters of administration/grant of probate</li> <li>• Death grant</li> <li>• nomination/expression of wish</li> <li>• Trustees discretion/delegated authority</li> </ul> <p><b>(D) Take into account one of the following special circumstances</b></p> <ul style="list-style-type: none"> <li>• AVCs</li> <li>• Benefits in other schemes</li> <li>• Transfers in</li> <li>• Pension credits/debits or attachment orders</li> <li>• Part-time members</li> <li>• Added member contributions</li> <li>• Other (please specify)</li> </ul> <p><b>(E) Ensure that scheme, regulatory and/or organisational service level agreement timescales are met</b></p>

## MANADATORY UNIT

### UNIT CPA 010

#### PROCESS PENSION SCHEME TRANSFERS IN

##### Aim

The aim of this unit is to provide understanding in how to successfully interpret and apply regulatory and scheme regulations following a transfer in request.

It investigates how to validate scheme data in terms of completeness and appropriateness and how to identify sources of information for resolution of queries.

It then allows for processing of scheme transfer benefits and options as specified in scheme regulations and the signatures and authorisations you need to settle benefits and/or to provide information. It also develops the understanding of the circumstances under which transfer in benefits may need to be recalculated and the procedures to be followed.

##### Learning Outcomes

On successful completion of this unit candidates will know and understand:

- How to obtain authorisation for every transfer in request before further action is taken
- How to ensure all proposed transfers from another UK scheme are registered by HM Revenue & Customs
- How to investigate and resolve any queries and ensure transfers can proceed
- How to provide relevant information to the Actuary or correctly calculate the transfer value, as applicable
- When and how to fully inform members of the options available to them with regard to their rights from the transfer in decision and obtain their preference
- Understand when to take any necessary follow up action, where no response is received
- Where the member elects to transfer in ensure proper authorisation is received
- How to ensure benefits from the transfer value are re-calculated if necessary
- How to request payment of transfer values within timescales
- How to update member records to show details of the transfer and confirm completion to the member

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Obtain authorisation for every transfer in request before further action is taken</li> <li>2. Ensure all proposed transfers from another UK scheme are registered by HM Revenue &amp; Customs</li> <li>3. Investigate and resolve any queries and ensure transfers can proceed</li> <li>4. Provide relevant information to the Actuary or correctly calculate the transfer value, as applicable</li> <li>5. Fully inform members of the options available to them with regard to their rights from the transfer in decision and obtain their preference</li> <li>6. Take any necessary follow up action, where no response is received</li> <li>7. Where the member elects to transfer in ensure proper authorisation is received</li> <li>8. Ensure benefits from the transfer value are re-calculated if necessary</li> <li>9. Request payment of transfer values within timescales</li> <li>10. Update member records to show details of the transfer and confirm completion to the member</li> </ol>	<p><b>(A) Process three transfer in cases, two of which should be processed to payment stage</b></p> <p><b>(B) Resolve one query or unusual features using any of the following methods:</b></p> <ul style="list-style-type: none"> <li>• Within own discretion</li> <li>• Another appropriate person</li> </ul> <p><b>(C) Ensure that scheme, regulatory and/or organisational service level agreement timescales are met</b></p>



## ELECTIVE UNIT

### UNIT CPA 011

#### CALCULATE AND QUOTE PENSION SCHEME DEATH BENEFITS FOR MEMBERS WITHOUT SPECIAL CIRCUMSTANCES

#### Aim

Understand and calculate Death Benefit options within normal circumstances and in accordance with all relevant guidance and legislation. The learner will then be able to apply this knowledge in the production of a 'death benefits' quote to the trustees or beneficiaries.

#### Learning Outcomes

- Be able to explain the scheme rules for each of the schemes used in the case study examinations covering the payment of death benefits
- Demonstrate how to apply actuarial factors and annuity rates
- Show the benefit options in an approved format and in accordance with accepted procedure
- Be able to explain the effects of overriding legislation on the benefits and options payable (taking into account regulations and requirements of HM Revenue & Customs and the Department for Work and Pensions)
- Explain what information and documentation is required before the scheme can settle the benefits

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Be able to explain the scheme rules for each of the schemes used in the case study examinations covering the payment of death benefits</li> <li>2. Demonstrate how to apply actuarial factors and annuity rates</li> </ol>	<p><b>(A)</b> Identify and apply scheme rules and definitions for all of the following:</p> <ul style="list-style-type: none"> <li>• Final salary (including contracted out and non-contracted out categories of benefit)</li> <li>• Career average revalued earnings (CARE)</li> <li>• Money purchase</li> </ul>

<p><b>3.</b> Show the benefit options in an approved format and in accordance with accepted procedure</p> <p><b>4.</b> Be able to explain the effects of overriding legislation on the benefits and options payable (taking into account regulations and requirements of HM Revenue &amp; Customs and the Department for Work and Pensions)</p> <p><b>5.</b> Explain what information and documentation is required before the scheme can settle the benefits</p>	<p><b>(B) Set out and provide fully worked manual calculations for all of the following death benefits:</b></p> <ul style="list-style-type: none"> <li>• Refund of contributions</li> <li>• Lump sum (Life assurance / 5-year guarantee)</li> <li>• Spouse's pension</li> </ul> <p><b>(C) Set out and provide fully worked manual calculations for all of the following death benefit scenarios:</b></p> <ul style="list-style-type: none"> <li>• Death in service</li> <li>• Death in deferment</li> <li>• Death in retirement</li> </ul> <p><b>(D) Identify when lump sum death benefits are payable:</b></p> <ul style="list-style-type: none"> <li>• At the trustees' discretion</li> <li>• To the deceased member's estate / legal personal representative(s)</li> </ul> <p><b>(E) Determine the options open to members taking into account all of the following:</b></p> <ul style="list-style-type: none"> <li>• The member's record</li> <li>• Scheme rules</li> <li>• Relevant legislation</li> </ul> <p><b>(F) Use the calculations from one of the case studies completed to write a letter to the beneficiary, sponsor or trustee. This letter must be a standard letter of response – NOT single bullet points</b></p>
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## EXPLANATION

Calculations could include recalculating benefits to ensure minimum contracting-out requirements are met or suggesting a course of action if Lifetime Allowance limits are exceeded.

## ELECTIVE UNIT

### UNIT CPA 012

#### CALCULATE AND QUOTE PENSION SCHEME LEAVERS BENEFITS FOR MEMBERS WITHOUT SPECIAL CIRCUMSTANCES

#### Aim

Understand Leaver Benefit options within normal circumstances and in accordance with all relevant guidance and legislation. The learner will then be able to apply this knowledge in the production of a 'leaver benefits' quote to the scheme member.

#### Learning Outcomes

- Use the correct personal details from the member's record
- Show the full range of requested options which are allowed based on the member's record, the scheme rules and legislation
- Apply scheme definitions accurately
- Apply all relevant legislation correctly according to the dates of joining and leaving the scheme
- Set out calculations for each option according to accepted procedures
- Carry out calculations manually for each option without arithmetical errors
- Calculate and provide information relating to HM Revenue & Customs Regulations as appropriate
- Write a letter to the member, sponsor or Trustee and quote benefits which match your calculations
- Show the benefit options in an approved format and in accordance with accepted procedure
- Provide complete and accurate information to accompany the quotation

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Use the correct personal details from the member's record</li> <li>2. Show the full range of requested options which are allowed based on the member's record, the scheme rules and legislation</li> <li>3. Apply scheme definitions accurately</li> <li>4. Apply all relevant legislation correctly according to the dates of joining and leaving the scheme</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Identify and apply scheme rules and definitions for all of the following:</b> <ul style="list-style-type: none"> <li>• Final salary (including contracted out and non-contracted out categories of benefit)</li> <li>• Career average revalued earnings (CARE)</li> <li>• Money purchase</li> </ul> </li> </ol>

<ol style="list-style-type: none"> <li>5. Set out calculations for each option according to accepted procedures</li> <li>6. Carry out calculations manually for each option without arithmetical errors</li> <li>7. Calculate and provide information relating to HM Revenue &amp; Customs Regulations as appropriate</li> <li>8. Write a letter to the member, sponsor or Trustee and quote benefits which match your calculations</li> <li>9. Show the benefit options in an approved format and in accordance with accepted procedure</li> <li>10. Provide complete and accurate information to accompany the quotation</li> </ol>	<ol style="list-style-type: none"> <li>2. Set out and provide fully worked manual calculations for all of the following: <ul style="list-style-type: none"> <li>• Members leaving employment</li> <li>• Members opting out of the scheme</li> </ul> </li> <li>3. Determine the options open to members taking into account all of the following: <ul style="list-style-type: none"> <li>• The member's record</li> <li>• Scheme rules</li> <li>• Relevant legislation</li> </ul> </li> <li>4. Use the calculations from one of the case studies completed to write a letter to the member, sponsor or trustee. This letter must be a standard letter of response – NOT single bullet points</li> </ol>
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## EXPLANATION

Calculations could include the recalculation of benefits to ensure minimum contracting-out requirements are met.

## ELECTIVE UNIT

### UNIT CPA 013

#### CALCULATE AND QUOTE PENSION SCHEME RETIREMENT BENEFITS FOR MEMBERS WITHOUT SPECIAL CIRCUMSTANCES

#### Aim

#### Learning Outcomes

- Use the correct personal details from the member's record
- Show the full range of requested options which are allowed based on the member's record, the scheme rules and legislation
- Apply scheme definitions accurately
- Apply all relevant legislation correctly according to the reason for retirement and the dates of joining and leaving the scheme
- Set out the calculations for each option accordingly to accepted procedures
- Carry out the calculations manually for each option without arithmetical errors
- Recalculate benefits to meet minimum contracting-out requirements (if necessary)
- Calculate and provide information relating to HM Revenue & Customs Regulations, as appropriate

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Use the correct personal details from the member's record</li> <li>2. Show the full range of requested options which are allowed based on the member's record, the scheme rules and legislation</li> <li>3. Apply scheme definitions accurately</li> <li>4. Apply all relevant legislation correctly according to the reason for retirement and the dates of joining and leaving the scheme</li> </ol>	<p><b>(A) Identify and apply scheme rules and definitions for all of the following:</b></p> <ul style="list-style-type: none"> <li>• Final salary (including contracted out and non-contracted out categories of benefit)</li> <li>• Career average revalued earnings (CARE)</li> <li>• Money purchase</li> </ul>

<p><b>5.</b> Set out the calculations for each option accordingly to accepted procedures</p> <p><b>6.</b> Carry out the calculations manually for each option without arithmetical errors</p> <p><b>7.</b> Recalculate benefits to meet minimum contracting-out requirements (if necessary)</p> <p><b>8.</b> Calculate and provide information relating to HM Revenue &amp; Customs Regulations, as appropriate</p>	<p><b>(B)</b> Set out and provide fully worked manual calculations for all of the following retirement benefit options:</p> <ul style="list-style-type: none"> <li>• Full pension</li> <li>• Cash sum with reduced pension</li> <li>• Dependant's pension</li> </ul> <p><b>(C)</b> Set out and provide fully worked manual calculations for all of the following retirement benefit scenarios (from active and non-active status)</p> <ul style="list-style-type: none"> <li>• Normal</li> <li>• Early</li> <li>• Late</li> <li>• Ill health</li> </ul> <p><b>(D)</b> Determine the options open to members taking into account all of the following:</p> <ul style="list-style-type: none"> <li>• The member's record</li> <li>• Scheme rules</li> <li>• Relevant legislation</li> </ul> <p><b>(E)</b> Use the calculations from one of the case studies completed to write a letter to the member, sponsor or trustee. This letter must be a standard letter of response – NOT single bullet points</p>
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## EXPLANATION

Calculations could include recalculating benefits to ensure minimum contracting-out requirements are met or suggesting a course of action if Lifetime Allowance limits are exceeded

## ELECTIVE UNIT

### UNIT CPA 014

#### CALCULATE AND QUOTE PENSION SCHEME TRANSFERS IN AND TRANSFERS OUT

### Aim

The aim of this unit is to understand Transfer Out and Transfer In Benefit options within normal circumstances and in accordance with all relevant guidance and legislation. The learner will then be able to apply this knowledge in the production of a 'transfer in benefits' quote and a 'transfer out benefits' quote to the scheme member.

### Learning Outcomes

- Use the correct personal details from the member's record
- Show full range of requested options which are allowed based on the member's record, the scheme rules and legislation
- Apply scheme definitions accurately
- Apply all relevant legislation correctly according to the dates of joining and leaving the scheme
- Set out the calculations for each option according to accepted procedures
- Carry out the calculations manually without arithmetical errors
- Write a letter to the member, sponsor or Trustee and quote benefits which match your calculations
- Show the benefit options in an approved format and in accordance with accepted procedure
- Provide complete and accurate information to accompany the quotation
- Give instructions to the addressee on the response you require



Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Use the correct personal details from the member's record</li> <li>2. Show full range of requested options which are allowed based on the member's record, the scheme rules and legislation</li> <li>3. Apply scheme definitions accurately</li> <li>4. Apply all relevant legislation correctly according to the dates of joining and leaving the scheme</li> </ol>	<p><b>(A) Identify and apply scheme rules and definitions for all of the following:</b></p> <ul style="list-style-type: none"> <li>• Final salary</li> <li>• Career average revalued earnings (CARE)</li> <li>• Money purchase</li> </ul>

<ol style="list-style-type: none"> <li>5. Set out the calculations for each option according to accepted procedures</li> <li>6. Carry out the calculations manually without arithmetical errors</li> <li>7. Write a letter to the member, sponsor or Trustee and quote benefits which match your calculations</li> <li>8. Show the benefit options in an approved format and in accordance with accepted procedure</li> <li>9. Provide complete and accurate information to accompany the quotation</li> <li>10. Give instructions to the addressee on the response you require</li> </ol>	<p><b>(B) Set out and provide fully worked manual calculations for all of the following:</b></p> <ul style="list-style-type: none"> <li>• The transfer value of benefits accrued while a member of an occupational pension scheme</li> <li>• The additional benefits secured in a member's current scheme by the transfer value from a previous pension arrangement</li> </ul> <p><b>(C) Determine the options open to members taking into account all of the following:</b></p> <ul style="list-style-type: none"> <li>• The member's record</li> <li>• Scheme rules</li> <li>• Relevant legislation</li> </ul> <p><b>(D) Use the calculations from one of the case studies completed to write a letter to the member, sponsor or trustee, quoting the benefits purchased in respect of a transfer in from a previous Scheme</b></p> <p><b>(E) Use the calculations from one of the case studies completed to write a letter to the member, sponsor or trustee, quoting the transfer value available to a new Scheme</b></p>
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## ELECTIVE UNIT

UNIT CPE 001

HMRC RULES OVERVIEW

### Aim

The aim of this unit is to provide occupational pension scheme administrators with; an overview of Her Majesty's Revenue & Customs (HMRC) rules that affect all pension schemes and the impact this legislation has had on members' benefits and Benefit Crystallisation Events (BCEs).

### Learning Outcomes

On successful completion of this unit candidates will know and understand:

- Understand the rules affecting the Annual Allowance under the current tax regime and the checks that must be implemented to ensure it is not exceeded
- Explain the term Benefit Crystallisation Events and understand what happens if a Benefit Crystallisation occurs
- Identify the different Benefit Crystallisation Events and how to calculate a Pension Commencement Lump Sum
- Explain the rules relating to Lifetime Allowance (LTA) and demonstrate the ability to calculate charges and benefits in different circumstances
- Define the terms dependants, nominees and successors and explain how benefits are paid to the scheme members estate
- Identify the basic features of protection

Performance Criteria	Syllabus
You can:	You will:
<p><b>1.</b> Understand the rules affecting the Annual Allowance under the current tax regime and the checks that must be implemented to ensure it is not exceeded</p>	<p><b>(A) The rules relating to benefit accrual and the Annual Allowance:</b></p> <ul style="list-style-type: none"> <li>• Understand the terms Pension Input Period (PIP) and Pension Input Amount (PIA) and the rules over start dates</li> <li>• The current limits on benefit accrual and tax relief</li> <li>• When the test against Annual Allowance is necessary</li> <li>• When the Annual Allowance tax charges apply</li> <li>• How to calculate a basic benefit accrual for a DB scheme</li> <li>• Money Purchase Annual Allowance (MPAA)</li> </ul>

1. Explain the term Benefit Crystallisation Events and understand what happens if a Benefit Crystallisation occurs
2. Identify the different Benefit Crystallisation Events and how to calculate a Pension Commencement Lump Sum
3. Explain the rules relating to Lifetime Allowance (LTA) and demonstrate the ability to calculate charges and benefits in different circumstances
4. Define the terms dependants, nominees and successors and explain how benefits are paid to the scheme members estate
5. Identify the basic features of protection

**(B) Benefits Crystallisation Events (BCE):**

- The definition of the term Benefit Crystallisation Event
  - The significance of BCEs for occupational pension schemes
  - The Benefit Crystallisation Events available for members
  - What members have to do when a BCE event occurs
3. What administrators of a scheme have to do when a BCE event occurs

**(C) The knowledge requirements for the various BCEs in relation to the following:**

- Retirement
- Ill health retirement
- Pension Commencement Lump Sums (including calculation of a Pension Commencement Lump Sum)
- Death Benefits (including Lump Sum Death Benefits and pension benefits on death)
- Overseas transfers
- Calculate the percentage of the LTA used for benefits crystallising post 2006 for defined benefit (DB) and defined contribution (DC) schemes

**(D) The Lifetime Allowance (LTA):**

- Knowledge of the current years LTA
- The significance of the LTA with regard to paying pension and lump sum benefits
- The implications of exceeding the LTA for both members and schemes
- How to calculate an LTA tax charge
- Identify any differences in the LTA calculation if benefits crystallised pre-6 April 2006

**(E) Dependants' pensions:**

- The definition of dependant by HMRC and how it can impact on a scheme specific definition
- Overview of nominees and successors
- Whether an LTA test is used before paying a dependant's benefit when a member has died
- Securing a dependant's pension benefit within the scheme

**(F) Basic features of protection:**

- Including eligibility and differences between the types of protection
- Transitional protection and how this helps a member with pre 6 April 2006 benefits in the scheme
- Primary protection
- Enhanced protection
- Fixed protections

## ELECTIVE UNIT

UNIT CPE 002

### TRIVIAL COMMUTATION AND SMALL LUMP SUMS FOR OCCUPATIONAL PENSION SCHEMES

#### Aim

The aim of this unit is to provide occupational pension scheme administrators with an understanding of the terms 'trivial commutation' and 'small lump sums' and the rules governing how and when these payments can be made. The unit also explains how to calculate a Trivial Commutation Lump Sum and Her Majesty's Revenue & Customs (HMRC) conditions for payment

### Learning Outcomes

On successful completion of this unit candidates will:

- Explain the meaning of the terms 'trivial commutation' and 'small lump sums'
- Understand the HMRC rules regarding trivial commutation payments for dependants' pensions including any differences in the rules from a normal trivial commutation payment
- Understand the situations when trivial commutation may apply and the surrounding taxation rules
- Explain 'small lump sums' and how these can help pension schemes and members.

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Explain the meaning of the terms 'trivial commutation' and 'small lump sums'</li> <li>2. Understand the HMRC rules regarding trivial commutation payments for dependants' pensions including any differences in the rules from a normal trivial commutation payment</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>The meaning of the terms 'trivial commutation' and 'small lump sums'</b> <ul style="list-style-type: none"> <li>• What is available under DB and DC Schemes</li> <li>• Advantages of this route for a member</li> <li>• Advantages of this route for an Employer/scheme</li> <li>• Which benefits can be trivially commuted</li> </ul> </li> <li>2. <b>HM Revenue &amp; Customs (HMRC) Rules and terminology</b> <ul style="list-style-type: none"> <li>• The current maximum limits</li> <li>• Importance of benefits in other pension arrangements</li> <li>• Extinguishing rights to benefits in a scheme</li> <li>• Nomination dates</li> <li>• Commutation periods</li> <li>• Establishing when a commutation can be classed as 'trivial' for Uncrystallised and Crystallised benefits</li> <li>• Be able to calculate a crystallised and an uncrystallised trivial commutation payment from a DB scheme.</li> </ul> </li> </ol>

<p><b>3.</b> Understand the situations when trivial commutation may apply and the surrounding taxation rules</p> <p><b>4.</b> Explain 'small lump sums' and how these can help pension schemes and members.</p>	<p><b>3. Trivial Commutation taxation rules for::</b></p> <ul style="list-style-type: none"><li>• Uncrystallised benefits</li><li>• Crystallised benefits</li><li>• Dependants' pensions</li></ul> <p><b>4. Small Lump Sums:</b></p> <ul style="list-style-type: none"><li>• Relevant Accretion Rule</li><li>• De Minimis Rule and why this rule was introduced</li><li>• Payments by occupational pension schemes and public service schemes where a member has accrued rights across different related schemes which are under the small lump sum limit in each related scheme</li></ul>
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## Level 3 Award in Pensions Administration and Practice (Nigeria)

# ELECTIVE UNIT

UNIT CPE 003

PENSION SCHEMES AND DIVORCE

## Aim

The aim of this unit is to provide occupational pension scheme administrators with an overview of divorce legislation, the current options available for divorcing couples, and the rules and procedures for processing a divorce case.

## Learning Outcomes

On successful completion of this unit candidates will:

- Understand why the pensions and divorce legislation was introduced and identify the main Acts that make up the Pensions and Divorce legislation
- Understand the principles of "Offsetting" in divorce
- Explain the impact of Pension Attachment Orders (also known as Earmarking orders) for pension scheme members and their ex-spouse / civil partners
- Understand The impact of Pension Sharing Court orders for pension scheme members and their ex-spouse / civil partners
- Understand HM Revenue & Customs Rules (past and present)

Performance Criteria You can:	Syllabus You will:
<ol style="list-style-type: none"> <li>1. Understand why the pensions and divorce legislation was introduced and identify the main Acts that make up the Pensions and Divorce legislation</li> <li>2. Understand the principles of "Offsetting" in divorce</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Legislation and Acts of Parliament</b> <ul style="list-style-type: none"> <li>• The impact of divorce on a member's pension benefits</li> <li>• The legislation impacting on pensions and divorce:               <ul style="list-style-type: none"> <li>• Matrimonial Causes Act 1973</li> <li>• The Family Law Act 1985</li> <li>• The Pensions Act 1995</li> <li>• The Welfare Reform and Pension Act 1999</li> <li>• The Civil Partnership Act 2004</li> </ul> </li> </ul> </li> <li>2. <b>The principles of "Offsetting"</b> <ul style="list-style-type: none"> <li>• Why couples/civil partners might wish to choose this option and the scheme administrator's role</li> </ul> </li> </ol>

<p><b>3.</b> Explain the impact of Pension Attachment Orders (also known as Earmarking orders) for pension scheme members and their ex-spouse / civil partners</p> <p><b>4.</b> Understand The impact of Pension Sharing Court orders for pension scheme members and their ex-spouse / civil partners</p> <p><b>5.</b> Understand HM Revenue &amp; Customs Rules (past and present)</p>	<p><b>3. The impact of Pension Attachment Orders</b></p> <ul style="list-style-type: none"> <li>• What is earmarking?</li> <li>• The disadvantages of earmarking</li> <li>• Understanding the importance of receiving a correctly completed Court Order and legal forms used in connection with earmarking</li> <li>• Tax issues with splitting the benefits as set out on the court order (i.e. net annuity or gross annuity)</li> <li>• Differences with Scottish Earmarking cases</li> </ul> <p><b>4. Impact of Pension Sharing Court Orders</b></p> <ul style="list-style-type: none"> <li>• What is pensions sharing and the information that must be given to a member and their spouse/civil partner should they request information regarding divorce</li> <li>• What is a Pension Credit and Pension Debit?</li> <li>• Know the difference between internal and external credits</li> <li>• Understanding the importance of receiving a correctly completed Court Order and legal forms used in connection with pension sharing</li> <li>• Know how a decree absolute is important to the pension sharing process</li> <li>• The different approaches for both DB and DC schemes when:</li> <li>• Calculating the initial Cash Equivalent Transfer Value (CETV) in the information only process and the final CETV in the implementation process, Also the reasons why these two valuations are different</li> <li>• The process for implementing, paying and discharging the CETV to the ex- spouses/civil partners preferred arrangement</li> <li>• Discharging the liabilities for both member and ex-spouse / civil partner</li> <li>• Recording the members and ex-spouses/civil partners benefits on the system</li> <li>• Understand the terms "Transfer Day" and "Valuation Day" and their importance in the implementation process</li> <li>• Differences with Scottish pension sharing cases</li> <li>• Disclosure requirements</li> <li>• Administrative processes, timescales and penalties</li> <li>• How pension sharing can go wrong</li> </ul> <p><b>5. HM Revenue &amp; Customs Rules (past and present)</b></p> <ul style="list-style-type: none"> <li>• The issues to be aware of for members with Protections and how they may affect divorce and pension benefits</li> </ul>
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## MANADATORY UNIT

UNIT CPE 004

### PENSION TRANSFERS IN OCCUPATIONAL PENSION SCHEMES

#### Aim

The aim of this unit is to help occupational pension scheme administrators to understand Her Majesty's Revenue & Customs (HMRC) rules and regulations regarding pension transfers, both within the UK and overseas. In addition, the unit explains how improper or fraudulent transfers have been highlighted by HMRC and the process which scheme administrators should follow to ensure that a transfer payment out of the scheme is valid and does not become an unauthorised payment with subsequent tax penalties to both the scheme and member

#### Learning Outcomes

On successful completion of this unit candidates will:

- Understand what constitutes a transfer within Her Majesty's Revenue & Customs (HMRC) rules and regulations of occupational pension schemes and the main types of pension schemes that accept transfers in
- Understand the legislation that is concerned with the transfer in and transfer out process of a member's accrued benefits
- Understand Direct benefit (DB) transfers in and out
- Understand Direct Contribution (DC) transfers in and out
- Identify how 'wind-ups' can affect the cash equivalent transfer value (CETV) when quoting a member's benefits
- Understand what is meant by an improper or fraudulent transfer, identify the warning signs and know the legislation under which compliance is required
- Understand the HMRC rules regarding improper transfers
- Understand what constitutes a Recognised Overseas Pension Scheme (ROPS) and explain what is required if a member wants to transfer benefits to the UK from an overseas scheme

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand what constitutes a transfer within Her Majesty's Revenue &amp; Customs (HMRC) rules and regulations of occupational pension schemes and the main types of pension schemes that accept transfers in</li> <li>2. Understand the legislation that is concerned with the transfer in and transfer out process of a member's accrued benefits</li> <li>3. Understand Direct benefit (DB) transfers in and out</li> <li>4. Understand Direct Contribution (DC) transfers in and out</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Background to pension transfers</b> <ul style="list-style-type: none"> <li>• What is a transfer and why people transfer</li> <li>• Types of pensions transfer available:               <ul style="list-style-type: none"> <li>— Registered pension scheme to another (or to an unregistered scheme)</li> <li>— Bulk transfers</li> <li>— Divorce pension credits</li> <li>— Overseas</li> </ul> </li> </ul> </li> <li>2. <b>Legislation affecting pension transfers</b> <ul style="list-style-type: none"> <li>• Pension Schemes Act 1993</li> <li>• Pensions Act 1995</li> <li>• Occupational Pension Schemes (Transfer Values and Miscellaneous Amendments) Regulations 2003</li> <li>• Pensions Act 2004</li> <li>• Qualifying Recognised Overseas Pension Schemes (QROPS)</li> <li>• Pensions Act 2015</li> <li>• Pensions Scheme Act 2021</li> </ul> </li> <li>3. <b>DB pension transfers (in and out)</b> <ul style="list-style-type: none"> <li>• When a 'right' to a transfer out exists.</li> <li>• Cash Equivalent Transfer Values (CETV)</li> <li>• Guarantee Dates</li> <li>• Timescales for transfer process</li> <li>• DB scheme funding</li> <li>• Disclosure requirements/Whistleblowing and Extension of Timescales</li> <li>• Transferring Guaranteed Minimum Pensions</li> <li>• Warranty forms and obtaining receiving scheme details and other checks</li> <li>• Considerations for transfers In</li> <li>• Member Advice</li> <li>• DB to DC transfer Requirements</li> </ul> </li> <li>4. <b>DC pension transfers (in and out)</b> <ul style="list-style-type: none"> <li>• When a 'right' to a transfer out exists.</li> <li>• Transfer quotes and how they differ from a DB scheme transfer</li> <li>• Timescales for transfer process</li> <li>• Warranty forms and obtaining receiving scheme details and other checks</li> <li>• Considerations for transfers In</li> </ul> </li> </ol>

<p><b>5.</b> Identify how 'wind-ups' can affect the cash equivalent transfer value (CETV) when quoting a member's benefits</p> <p><b>6.</b> Understand what is meant by an improper or fraudulent transfer, identify the warning signs and know the legislation under which compliance is required</p> <p><b>7.</b> Understand the HMRC rules regarding improper transfers</p> <p><b>8.</b> Understand what constitutes a Recognised Overseas Pension Scheme (ROPS) and explain what is required if a member wants to transfer benefits to the UK from an overseas scheme</p>	<p><b>5. Winding up of pension schemes</b></p> <ul style="list-style-type: none"> <li>• How a scheme's winding up can affect a member's CETV benefits</li> <li>• Section 73 valuation and actuary's involvement</li> </ul> <p><b>6. Improper transfers</b></p> <ul style="list-style-type: none"> <li>• Background to improper transfers (including Code of Practice)</li> <li>• How to identify an improper transfer and ensure own processes are robust (including examples of improper transfers)</li> </ul> <p><b>7. HMRC Rules for transfers</b></p> <ul style="list-style-type: none"> <li>• Recognised transfers</li> <li>• Transfers and unauthorised payments</li> <li>• How a transfer can affect any Primary or Enhanced protection held by member</li> </ul> <p><b>8. Overseas transfers</b></p> <ul style="list-style-type: none"> <li>• Background to Recognised Overseas Pension Schemes (ROPS)</li> <li>• HMRC conditions to be a ROPS</li> <li>• Recognised Overseas Pension Scheme</li> <li>• Double taxation agreements</li> <li>• Transferring to the UK from abroad and special considerations</li> </ul>
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## ELECTIVE UNIT

UNIT CPE 005

CAREER AVERAGE REVALUED EARNINGS (CARE) OCCUPATIONAL PENSION SCHEMES

### Aim

The aim of this unit is to build on an occupational pension scheme administrator's knowledge of DB type schemes, to understand how a Career Average Revalued Earnings (CARE) pension scheme works, and why this type of scheme has evolved.

In addition, the occupational pension scheme administrator will learn how the benefits are calculated and why the methods can vary.

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand what a CARE Scheme is and how it differs from other occupational pension schemes, and why they became less popular but are being used again by employers
- Understand the impact of contracting out on CARE Schemes
- Identify the methods of revaluation that are available for a CARE scheme and calculate a member's pension benefits from a CARE scheme (including revaluation).

Performance Criteria	Syllabus
You can:	You will:
<p><b>1.</b> Understand what a CARE Scheme is and how it differs from other occupational pension schemes, and why they became less popular but are being used again by employers</p> <p><b>2.</b> Understand the impact of contracting out on CARE Schemes</p>	<p><b>1. History of CARE schemes</b></p> <ul style="list-style-type: none"> <li>• Pre 1970's</li> <li>• 1970's and High inflation</li> <li>• Why the concept is being utilised again but with revaluation</li> </ul> <p><b>How CARE schemes are structured</b></p> <ul style="list-style-type: none"> <li>• Main features</li> <li>• DB in structure</li> <li>• Advantages and disadvantages of CARE schemes (for members and employers)</li> </ul> <p><b>2. Contracting out under a CARE scheme</b></p> <ul style="list-style-type: none"> <li>• Contracting out facilities available for CARE schemes</li> <li>• The reasons why a CARE scheme might have failed the Reference Scheme Test (RST) requirements and the options available if this event occurred</li> </ul>
<p><b>3.</b> Identify the methods of revaluation that are available for a CARE scheme and calculate a member's pension benefits from a CARE scheme (including revaluation)</p>	<p><b>3. Benefit calculations:</b></p> <ul style="list-style-type: none"> <li>• Pensionable Salary</li> <li>• Accrual</li> <li>• Revaluation</li> <li>• How to identify and update CARE schemes on your own company's computer systems</li> </ul>

## MANADATORY UNIT

UNIT CPE 006

### ADVANCED PENSION COMMENCEMENT LUMP SUM RULES (INCLUDING SCHEME SPECIFIC PROTECTION)

#### Aim

The aim of this unit is to provide occupational pension scheme administrators with an understanding of the Pension Commencement Lump Sum (PCLS) principles for DB and DC pension schemes, and how to do the complex calculations involving scheme specific protection, enhanced, primary and fixed protections cases

#### Learning Outcomes

On successful completion of this unit candidates will:

- Understand background to Protection of Pension Commencement Lump Sums (PCLS)
- Outline the HMRC conditions for PCLS payment
- Distinguish between the different types of Protection and how a PCLS can be protected

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand the background to Protection of Pension Commencement Lump Sums (PCLS)</li> <li>2. Outline the HMRC conditions for PCLS payment</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Background</b> <ul style="list-style-type: none"> <li>• What is a PCLS?</li> <li>• What are the rules for PCLS?</li> <li>• Crystallised and Uncrystallised funds</li> </ul> </li> <li>2. <b>HMRC conditions</b> <ul style="list-style-type: none"> <li>• The timing of a PCLS payment</li> <li>• The HMRC tax implications for a protected PCLS</li> <li>• The tax implications of paying a PCLS that is outside of the HMRC conditions</li> <li>• The consequences of a paying a PCLS outside of HMRC conditions</li> <li>• The HMRC conditions to ensure that a PCLS does not become classed as an unauthorised payment</li> <li>• The HMRC term "recycling" of a PCLS and provide examples of recycling</li> </ul> </li> </ol>

3. Distinguish between the different types of Protection and how a PCLS can be protected

### 3. Scheme Specific Protection

- Why scheme specific protection may apply
- when a member qualifies for Scheme Specific protection of a PCLS
- Inland Revenue limits prior to A-day (2006) and Simplification changes
- How to check whether a member's PCLS qualifies for scheme specific protection
- Calculate a member's scheme protected PCLS in a DC or DB scheme

#### Primary Protection, Enhanced and Fixed Protections

- How a PCLS can be protected under Primary, Enhanced and Fixed Protections
- The format and interpretation of HMRC Protection Certificates

## ELECTIVE UNIT

UNIT CPE 007

BASIC PENSION COMMENCEMENT LUMP SUM RULES

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an understanding of the Pension Commencement Lump Sum (PCLS) entitlements available to a member from an occupational pension scheme, and the basic calculation process.

The unit also covers issues that can arise whilst processing a member's Pension Commencement Lump Sum (PCLS)

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the term Pension Commencement Lump Sum (PCLS) and the circumstances under which a PCLS can be paid to a member of a pension scheme
- Understand the impact of pension sharing court orders and how disqualifying pension credits can impact on a PCLS payment
- Understand how the payment of DC Additional Voluntary Contributions can affect DB scheme PCLS payments



Performance Criteria	Syllabus
You can:	You will:
<p><b>1.</b> Understand the term Pension Commencement Lump Sum (PCLS) and the circumstances under which a PCLS can be paid to a member of a pension scheme</p>	<p><b>1. Pension Commencement Lump Sum (PCLS) overview</b></p> <ul style="list-style-type: none"> <li>• The meaning of the term PCLS</li> <li>• HMRC conditions for payment of a PCLS</li> <li>• When the payment of a PCLS has to be reported</li> <li>• The maximum PCLS ("applicable amount" or 25% of Lifetime Allowance) that is allowable under HMRC rules</li> <li>• Entitlement to a PCLS</li> <li>• The issues that may affect a PCLS payment to a member</li> <li>• The importance of checking the scheme rules with regards to entitlements to PCLS for members</li> <li>• How to calculate the maximum PCLS for a DB and DC scheme within the HMRC rules</li> </ul> <p><b>Bridging pensions</b></p> <ul style="list-style-type: none"> <li>• The meaning of the term bridging pension</li> <li>• How the payment of a bridging pension could affect the maximum PCLS payable</li> </ul>
<p><b>2.</b> Understand the impact of pension sharing court orders and how disqualifying pension credits can impact on a PCLS payment</p> <p><b>3.</b> Understand how the payment of DC Additional Voluntary Contributions can affect DB scheme PCLS payments</p>	<p><b>Contracted-out rights</b></p> <ul style="list-style-type: none"> <li>• The relevance of Guaranteed Minimum Pensions and how it can impact on the PCLS available for a member</li> </ul> <p><b>2. Disqualifying pension credits</b></p> <ul style="list-style-type: none"> <li>• The meaning of the term disqualifying pension credit</li> <li>• How a disqualifying pension credit can affect the maximum PCLS payable for a member</li> </ul> <p><b>3. How Additional Voluntary Contributions (AVCs) can affect the amount of PCLS payable</b></p> <ul style="list-style-type: none"> <li>• The effect of DC AVCs on a PCLS from a DB scheme</li> <li>• Treatment of a DC AVC when attached to a DB scheme including the impact Flexi Access Drawdown (FAD) and Uncrystallised Fund Pension Lump Sum(UFPLS)</li> <li>• The calculation of the maximum PCLS allowable under HMRC rules if a DB scheme has DC AVCs</li> </ul>

## ELECTIVE UNIT

UNIT CPE 008

### REPORTING REQUIREMENTS FOR OCCUPATIONAL PENSION SCHEMES

#### Aim

The aim of this unit is to provide occupational pension scheme administrators with an overview of the main reports that to be made to the Pensions Regulator and Her Majesty's Revenue & Customs (HMRC) on a regular basis for particular events that happen in a scheme year.

#### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the scheme's responsibilities to report events that happen throughout the scheme year
- Understand what an Event Report is and explain the Event Report process
- Outline the various forms required by HMRC that need to be completed for reporting and auditing purposes

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand the scheme's responsibilities to report events that happen throughout the scheme year</li> <li>2. Understand what an Event Report is and explain the Event Report process</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Registration for an Occupational Pension Scheme</b> <ul style="list-style-type: none"> <li>• The information required to register a scheme</li> <li>• Identify the items that need to be reported</li> </ul> </li> <li>2. <b>Event reporting</b> <ul style="list-style-type: none"> <li>• Understand when to report Notifiable Events to the Pensions Regulator and the importance of this activity</li> <li>• The responsibility for this and your own company processes</li> <li>• Timescales for completion</li> </ul> </li> </ol>

Performance Criteria	Syllabus
You can:	You will:
<p><b>3.</b> Outline the various forms required by HMRC that need to be completed for reporting and auditing purposes</p>	<p><b>3. The HMRC Event Report</b></p> <ul style="list-style-type: none"> <li>• Background to the Event Report</li> <li>• Describe what the HMRC Pension Scheme Return is used for</li> <li>• Responsibility for completion and your own company processes</li> <li>• Timescales for completion</li> </ul> <p><b>The HMRC Accounting for Tax Return (AFT)</b></p> <ul style="list-style-type: none"> <li>• Background to the AFT</li> <li>• Responsibility for completion</li> <li>• Timescales for completion</li> </ul> <p><b>The HMRC Registered Pension Scheme Return</b></p> <ul style="list-style-type: none"> <li>• Background to the Registered Pension Scheme Return</li> <li>• Responsibility for completion and your own company processes</li> <li>• Timescales for completion</li> </ul> <p><b>The HMRC End of Year Tax Returns (Self-Assessment 970)</b></p> <ul style="list-style-type: none"> <li>• Background to SA970</li> <li>• Information to be completed and your own company processes</li> <li>• The deadlines for submission to HMRC</li> </ul> <p><b>Forms required for maintaining a scheme (from HMRC)</b></p> <ul style="list-style-type: none"> <li>• The various forms required to maintain a scheme</li> <li>• Background to an "Information required by Notice"</li> <li>• Timescales for completion</li> </ul> <p><b>The Pensions Regulator (TPR) and Notifiable Events</b></p> <ul style="list-style-type: none"> <li>• The Notifiable Events framework and events to be reported</li> <li>• The notification framework and responsibilities for reporting events to TPR</li> <li>• Penalties if TPR not notified in a timely manner</li> <li>• Your own company processes</li> </ul> <p><b>TPR's Pensions Scheme Return</b></p> <ul style="list-style-type: none"> <li>• Background to the TPR Pensions Scheme Return</li> <li>• Responsibility for completion and your own company process</li> <li>• Timescales for completion</li> </ul> <p><b>TPR's Section 72a Report</b></p>

- |  |   |
|--|---|
|  | <ul style="list-style-type: none"><li>• Background to TPR Section 72a Report and its use</li><li>• Responsibility for completion and your own company processes</li></ul> |
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- |  |   |
|--|---|
|  | <ul style="list-style-type: none"><li>• Timescales for completion</li></ul> |
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## Level 4 Certificate in Pensions Administration and Practice (Nigeria)

# MANADATORY UNIT

UNIT CPE 009

## REVALUATION AND PENSION INCREASES FOR DEFINED BENEFIT PENSION SCHEMES

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an overview of the principles of how a member's accrued pension benefits from the date of leaving the pension scheme are revalued up to the member's retirement date.

In addition, the unit details the legislation and principles of how a pensioner's pension in payment increases during the course of payment and the issues to be aware of when calculating these increases.

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the rules for revaluation of deferred benefits for a DB Scheme.
- Identify the main components of a deferred pension in a formerly contracted out DB scheme and calculate a deferred pension at date of leaving
- Understand how the revaluation exercise differs for each component and the statutory revaluation requirements for a deferred pension
- Calculate the pension at retirement for deferred members who left the scheme prior to the GMP payment age including the Guaranteed Minimum Pension (GMP) and excess benefits
- Understand the rules regarding increasing a 'scheme pension' in payment including identifying the main components of a scheme pension and the statutory minimum increases that apply
- Calculate a pension increase for a member whose pension is in payment

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand the rules for revaluation of deferred benefits for a DB Scheme.</li> <li>2. Identify the main components of a deferred pension in a formerly contracted out DB scheme and calculate a deferred pension at date of leaving</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Rules for revaluation</b> <ul style="list-style-type: none"> <li>• Regulations from 1975 to current date and options available for a member leaving the scheme before normal retirement date</li> </ul> </li> <li>2. <b>Components of a deferred pension</b> <ul style="list-style-type: none"> <li>• Calculate a member's deferred pension at the date of leaving the scheme</li> </ul> </li> </ol>
<ol style="list-style-type: none"> <li>3. Understand how the revaluation exercise differs for each component and the statutory revaluation requirements for a deferred pension</li> <li>4. Understand the pension at retirement for deferred members who left the scheme prior to the GMP payment age including the Guaranteed Minimum Pension (GMP) and excess benefits</li> <li>5. Understand the rules regarding increasing a 'scheme pension' in payment including identifying the main components of a scheme pension and the statutory minimum increases that apply</li> <li>6. Calculate a pension increase for a member whose pension is in payment</li> </ol>	<ol style="list-style-type: none"> <li>3. <b>Breaking a pension down into its different components for revaluation</b> <ul style="list-style-type: none"> <li>• Knowledge of the various legislative components of a member's pension benefits</li> <li>• Understanding the various terms and their meanings in relation to revaluing a member's pension</li> <li>• Contracting out revaluation</li> <li>• Excess benefit revaluation</li> </ul> </li> <li>4. <b>A basic understanding of anti-franking and how it impacts on pension calculations</b> <ul style="list-style-type: none"> <li>• How a member's pension increases in retirement:</li> <li>• The different pension components in a member's pensions benefit</li> <li>• Statutory pension increase rates given during retirement</li> <li>• Calculate member benefits for those members who left the scheme prior to GMP age</li> </ul> </li> <li>5. <b>The mechanics and background information of increasing a member's pension in retirement</b> <ul style="list-style-type: none"> <li>• Pension increases on benefits prior to GMP payment age</li> <li>• Pension increases on benefits post GMP payment age</li> </ul> </li> <li>6. <b>Maximum limits on pension increases (Benefit Crystallisation Event 3)</b> <ul style="list-style-type: none"> <li>• A basic understanding of a Benefit Crystallisation Event 3</li> </ul> </li> </ol>

## ELECTIVE UNIT

UNIT CPE 010

PROTECTING A MEMBER'S PENSION BENEFITS FROM TAX CHARGES

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an overview of the different types of protection that are available to pension schemes and their members from Her Majesty's Revenue & Customs (HMRC) tax charges.

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand why HMRC introduced protection for member's and schemes. Understand
- Understand the criteria needed for members who elect to take Primary, Enhanced or Fixed Protections and why HMRC certificates are needed for members that fall into this category
- Understand what other protections are available for member's and schemes

Performance Criteria You can:	Syllabus You will:
<p><b>1.</b> Understand why HMRC introduced protection for member's and schemes</p>	<p><b>1. Rationale</b></p> <ul style="list-style-type: none"> <li>• Why the protection measures were introduced</li> <li>• Understand the tax exemptions available for members who use this protection</li> <li>• the impact of protection on members' benefits.</li> <li>• Explain the impact of protection for occupational pension scheme administrators when calculating members benefits</li> </ul>

**2.** Understand the criteria needed for members who elect to take Primary, Enhanced or Fixed Protections and why HMRC certificates are needed for members that fall into this category

**3.** Understand what other protections are available for member's and schemes

**2. The features of Primary Protection**

- Eligibility criteria
- Rules and Regulations
- Her Majesty's Revenue and Custom (HMRC) Certificates and Lifetime Allowance factors
- Retaining and losing Primary Protection
- Primary Protection and the impact on pension debits for pension sharing on divorce cases
- Primary Protection and the impact on transfers to UK registered pension schemes

**The features of Enhanced Protection**

- Eligibility criteria
- Rules and Regulations
- HMRC Certificates and Lifetime Allowance factors
- Cessation of Enhanced Protection
- Relevant benefit accrual test for DB and DC schemes, how it works and its use in calculations
- Enhanced Protection with dormant Primary Protection and why an individual might elect to have both Enhanced and Primary Protection

**The features of Fixed Protections**

- Eligibility criteria
- Rules and Regulations
- HMRC Certificates
- Cessation of Fixed Protections
- Relevant benefit accrual test for DB and DC schemes, how it works and its use in calculations

**Calculate**

- Calculate a member's own personal Standard Lifetime Allowance in conjunction with a protection certificate

**3. Other rules and regulations enabling members and pension schemes to protect:**

- Pension Commencement Lump Sums
- Death Benefit Lump sums.
- Special Early Retirement ages
- Benefits arising from a period of overseas service
- Benefits arising from a divorce (pre and post 6 April 2006)
- Other areas where protection from tax charges have been allowed including divorce, overseas service and retirement prior to Normal Minimum Pension Age (NMPA)
- HMRC information and reporting requirements and timescales
- Information requirements for members and third parties and timescales



## ELECTIVE UNIT

UNIT CPE 011

INTRODUCTION TO PENSION SCHEME DISCONTINUANCE

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an overview of why occupational pension schemes can close to future accrual of benefits for members and become a scheme in discontinuance.

The unit also covers the main steps for an occupational pension scheme which starts to discontinue and the information requirements that need to be given to members within the correct timescales

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the four statuses of a pension scheme
- Explain what is meant by the term 'discontinuance' in relation to an occupational pension scheme and the role of the Independent Trustee
- Understand the background to the discontinuance of an occupational pension scheme and identify the reasons why a scheme may discontinue and the key dates.
- Identify the key people involved in the discontinuance of an occupational pension scheme and the information requirements that need to be sent to members who are in the scheme that is discontinuing
- Identify the main stages in the process of the discontinuance of an occupational pension scheme
- Be able to outline valuation legislation and the meaning of a Section 75 debt
- Be able to outline the significance of a priority Order
- Explain post continuation benefits and the role of other parties used in the process of discontinuing an occupational pension scheme

Performance Criteria	Syllabus
You can:	You will:
1. Understand the four statuses of a pension scheme	1. The four statuses of a pension scheme (definition of) <ul style="list-style-type: none"> <li>• Open Scheme</li> <li>• Closed Scheme</li> <li>• Frozen Scheme</li> <li>• Discontinuing</li> </ul>

<p><b>2.</b> Explain what is meant by the term 'discontinuance' and the background to the discontinuance of an occupational pension scheme</p> <p><b>3.</b> Identify the key people involved in the discontinuance of an occupational pension scheme and the information requirements that need to be sent to members who are in the scheme that is discontinuing</p> <p><b>4.</b> Identify the main stages in the process of the discontinuance of an occupational pension scheme</p> <p><b>5.</b> Be able to outline valuation legislation and the meaning of a Section 75 debt</p> <p><b>6.</b> Be able to outline the significance of a priority Order</p>	<p><b>2. Overview of a scheme discontinuance</b></p> <ul style="list-style-type: none"> <li>• What is a discontinuance?</li> <li>• Why might a scheme discontinue?</li> <li>• What is company insolvency?</li> <li>• The discontinuance date and the trigger events</li> <li>• Information requirements for members</li> <li>• Timescales</li> <li>• Key dates in a discontinuance</li> <li>• The role of the Independent Trustee</li> </ul> <p><b>3. Overview of the important roles involved in Scheme Discontinuance</b></p> <ul style="list-style-type: none"> <li>• Independent Trustee</li> <li>• Scheme Trustee</li> <li>• Scheme Actuary</li> <li>• Scheme Auditor</li> <li>• Employer</li> <li>• Lawyer</li> <li>• Administrator (scheme and independent)</li> </ul> <p><b>4. The Process of discontinuing a pension scheme</b></p> <ul style="list-style-type: none"> <li>• Scheme data gathering</li> <li>• Payment of pensions in the discontinuance period</li> <li>• Cleansing the data</li> <li>• Tracing members</li> <li>• Reconciling Guaranteed Minimum Pensions</li> <li>• Valuing scheme liabilities</li> </ul> <p><b>5. Understanding Valuation Legislation</b></p> <ul style="list-style-type: none"> <li>• Section 75 Employer Debts and the Pensions Act 1995 and how it impacts on discontinuance</li> <li>• The thresholds and timescales for Section 75 Employer Debts and deficits in scheme funding</li> <li>• The time periods and benefits relevant to employers who have become insolvent</li> <li>• Compromise agreements and insolvent employers</li> </ul> <p><b>6. Overview of Section 73 Priority Orders and allocation of assets</b></p> <ul style="list-style-type: none"> <li>• The Orders up to 5 April 1997</li> <li>• The Orders from 6/4/97 to 9/5/2004</li> <li>• The Orders from 10/5/2004 to 5/4/2005</li> <li>• The Orders post 6/4/2005</li> </ul>
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7. Explain post continuation benefits and the role of other parties used in the process of discontinuing an occupational pension scheme

**7. Post Discontinuance benefits**

- Overview of the Financial Assistance Scheme
- Overview of the Pension Protection Fund
- Overview of the Fraud Compensation Fund and who compensation can be available from if a shortfall in the scheme assets is due to fraud or theft
- Understand the term buy out and Buy-out Quotations
- Options letters for members
- How benefits are bought out
- Timescales

## ELECTIVE UNIT

### UNIT CPE 012

#### UNDERFUNDED SCHEMES IN DISCONTINUANCE

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an overview of the Pensions Protection Fund (PPF) including the history of the PPF and how a scheme meets, the Qualifying conditions for becoming eligible for entry into the PPF.

The unit also includes the procedures involved for a scheme going through the PPF Assessment period and outlines the benefits a member may get from the PPF.

The unit also provides a brief overview of the Financial Assistance Scheme

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the background to the Pension Protection Fund (PPF) and be able to identify the Qualifying conditions for the PPF to assume responsibility of the scheme and the type of scheme that is eligible to enter the Pension Protection Fund
- Understand the process to be undertaken when a scheme enters the Assessment period
- Understand the scheme administrator's role whilst preparing the scheme for entry into the PPF and the process to ensure the members' data is accurate
- Understand the role the Section 143 Valuation process plays whilst a scheme is in the PPF Assessment period.
- Outline eligibility to enter the Financial Assistance Scheme and the level of benefits available

Performance Criteria	Syllabus
You can:	You will:
<p><b>1.</b> Understand the background to the Pension Protection Fund (PPF) and be able to identify the Qualifying conditions for the PPF to assume responsibility of the scheme and the type of scheme that is eligible to enter the Pension Protection Fund</p>	<p><b>1. The Background to the PPF</b></p> <ul style="list-style-type: none"> <li>• History of the PPF</li> <li>• The Qualifying Conditions for the PPF to assume responsibility for schemes</li> <li>• Which schemes could be eligible for entry into the PPF</li> <li>• Explain the term a Qualifying Insolvency Event</li> </ul>

<ol style="list-style-type: none"> <li>2. Understand the process to be undertaken when a scheme enters the Assessment period</li> <li>3. Understand the scheme administrator's role whilst preparing the scheme for entry into the PPF and the process to ensure the members' data is accurate</li> <li>4. Understand the role the Section 143 Valuation process plays whilst a scheme is in the PPF Assessment period.</li> <li>5. Outline eligibility to enter the Financial Assistance Scheme and the level of benefits available</li> </ol>	<ol style="list-style-type: none"> <li>2. <b>What happens when a scheme enters the PPF Assessment period</b> <ul style="list-style-type: none"> <li>• What the Section 120 notice is and its importance</li> <li>• What happens in the PPF Assessment period and the main levels of compensation available</li> <li>• Identify the cut off date for Insolvency Events to qualify for the PPF</li> <li>• The roles of the trustees, Insolvency practitioners and independent trustees</li> <li>• When to notify members.</li> <li>• Restrictions on the scheme whilst in the Assessment period</li> <li>• Reviewing the advisers and scheme administrators currently in place, and reviewing investment strategy of the scheme</li> <li>• Overview the role of the Specialist Administration and Actuarial Services Panel (SASP)</li> </ul> </li> <li>3. <b>The scheme administrator's role in the Assessment Period</b> <ul style="list-style-type: none"> <li>• Obtaining Scheme Data</li> <li>• Checking and compiling Admissible Rules so the scheme basis is correct</li> <li>• The PPF Compensation Levels for all scheme members including pensioners whose pensions are in payment</li> <li>• Revaluing Deferred Members Benefits</li> <li>• The Section 75 Debt on the Employer</li> <li>• Data Cleansing</li> <li>• Tracing members and the various tracing routes available</li> <li>• GMP Reconciliations</li> <li>• Dealing with Interim Claims and the Section 138 "lower of" test</li> <li>• Discharging of non-PPF Benefits</li> </ul> </li> <li>4. <b>The Final stages of the Assessment Period and the PPF's decision on the scheme</b> <ul style="list-style-type: none"> <li>• The Section 143 Valuation and its role in the Assessment Period</li> <li>• The PPF Assesses the Scheme to see if suitable for the PPF</li> <li>• The transfer to the PPF and the winding up of the scheme</li> <li>• The end of the Assessment period</li> </ul> </li> <li>5. <b>Overview of the Financial Assistance Scheme</b> <ul style="list-style-type: none"> <li>• Brief history of the FAS</li> <li>• What are the qualifying conditions for a scheme to be eligible</li> <li>• What are the current levels of benefits available</li> </ul> </li> </ol>
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## ELECTIVE UNIT

### UNIT CPE 013

#### UNAUTHORISED PAYMENTS FOR REGISTERED PENSION SCHEMES

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an overview of the legislation surrounding authorised and unauthorised payments, the situations where unauthorised payments can occur and the tax charges that could apply to members and the trustees of a pension scheme.

The unit also outlines the reporting requirements of unauthorised payments to Her Majesty's Revenue & Customs (HMRC)

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand what constitutes an unauthorised payment, how unauthorised payments can occur and identify the categories of unauthorised payments for members and employers
- Understand the member payments taxation charge
- Understand the unauthorised member payment taxation surcharge
- Outline when the scheme sanction charge would apply
- Understand the HMRC and regulatory requirements for communicating with members about unauthorised payments and how to ensure these are complied with in the prescribed manner

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand what constitutes an unauthorised payment, how unauthorised payments can occur and identify the categories of unauthorised payments for members and employers</li> <li>2. Understand the member payments taxation charge</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>The Definition of an unauthorised payment</b> <ul style="list-style-type: none"> <li>• Legislation introducing and affecting unauthorised payments</li> <li>• Types of authorised and unauthorised payments (member and employer)</li> <li>• Areas where an unauthorised payment might occur</li> </ul> </li> <li>2. <b>The Unauthorised Member Payment Taxation Charge</b> <ul style="list-style-type: none"> <li>• The rules surrounding a member payment taxation charge.</li> <li>• The taxation of unauthorised payments identifying the different tax charges and the circumstances when they might occur</li> <li>• How to calculate an unauthorised member payment charge</li> </ul> </li> </ol>
<ol style="list-style-type: none"> <li>3. Understand the unauthorised member payment taxation surcharge</li> <li>4. Outline when the scheme sanction charge would apply</li> <li>5. Understand the HMRC and regulatory requirements for communicating with members about unauthorised payments and how to ensure these are complied with in the prescribed manner</li> </ol>	<ol style="list-style-type: none"> <li>3. <b>The Unauthorised Member Payment Taxation Surcharge</b> <ul style="list-style-type: none"> <li>• The rules surrounding a member payment taxation surcharge</li> <li>• The surcharge threshold and testing to see if it has been exceeded</li> <li>• The surcharge period and reference date</li> <li>• Calculating the unauthorised member payment surcharge</li> </ul> </li> <li>4. <b>The Scheme Sanction Taxation Charge</b> <ul style="list-style-type: none"> <li>• The rules surrounding a scheme sanction taxation charge</li> <li>• How to calculate the scheme sanction charge</li> <li>• How the scheme sanction charge can be reduced</li> <li>• Which benefits the scheme sanction charge applies to</li> <li>• How HMRC can give relief to schemes from paying the scheme sanction charge</li> </ul> </li> <li>5. <b>Reporting Unauthorised Payments</b> <ul style="list-style-type: none"> <li>• To HMRC</li> <li>• To the member and any other relevant parties</li> </ul> </li> </ol>

## ELECTIVE UNIT

### UNIT CPE 014

#### OVERVIEW OF AUTOMATIC ENROLMENT

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an understanding of how and why the Government decided that a national form of savings was needed for those with low to medium earnings to encourage them to save for their retirement.

The unit covers how Automatic Enrolment is implemented and who is involved in the running of it. In addition, the Unit covers the Automatic Enrolment duties of employers and the processes which need to be in place before an employer has to start deducting contributions from jobholders

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the Background to Automatic Enrolment
- Understand the basic requirements to be a Qualifying Workplace Scheme and the impact of the prescribed Quality Tests for the occupational pension scheme structures
- Understand the major criteria regarding Automatic Enrolment and Re-enrolment for employers
- Outline the main organisations who are involved in Automatic Enrolment and the role of the DWP and the Pensions Regulator with regard to monitoring the Automatic Enrolment process and the penalties that can be had for failing to follow the required process



Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand the Background to Automatic Enrolment</li> <li>2. Understand the basic requirements to be a Qualifying Workplace Scheme and the impact of the prescribed Quality Tests for the occupational pension scheme structures</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Background and History of Automatic Enrolment</b> <ul style="list-style-type: none"> <li>• Know the background to Automatic Enrolment and why it was introduced</li> <li>• Vehicles that can be used to achieve Automatic Enrolment</li> </ul> </li> <li>2. <b>Overview of Auto Enrolment</b> <ul style="list-style-type: none"> <li>• Criteria for Automatic Enrolment</li> <li>• Employer Staging Dates.</li> <li>• The implementation process for Automatic Enrolment for:               <ul style="list-style-type: none"> <li>• DC Schemes</li> <li>• DB Schemes including CARE schemes</li> <li>• Hybrid Schemes</li> <li>• Cash Balance Schemes</li> </ul> </li> </ul> </li> </ol>

<p><b>3.</b> Understand the major criteria regarding Automatic Enrolment and Re-enrolment for employers</p> <p><b>4.</b> Outline the main organisations who are involved in Automatic Enrolment and the role of the DWP and the Pensions Regulator with regard to monitoring the Automatic Enrolment process and the penalties that can be had for failing to follow the required process</p>	<p><b>3. The process for Automatic Enrolment for employers and employees</b></p> <ul style="list-style-type: none"> <li>• Active membership</li> <li>• Members Opting Out of the Automatic Enrolment process</li> <li>• Qualifying and non qualifying Jobholders and Opting In to the Automatic Enrolment process</li> <li>• Existing members of qualifying schemes</li> <li>• Employer's postponement of Automatic Enrolment</li> <li>• Re-Enrolment</li> </ul> <p><b>Overview of Qualifying Workplace scheme requirements</b></p> <ul style="list-style-type: none"> <li>• The meaning of and the criteria required for an occupational pension scheme to become a Qualifying Workplace Scheme:</li> <li>• DC schemes</li> <li>• DB Schemes including CARE schemes</li> <li>• Hybrid Schemes</li> <li>• Cash Balance Schemes</li> <li>• The different requirements for a Salary Sacrifice scheme.</li> <li>• The Reference Scheme Test and the Test Scheme Standard (pre April 2016) and the Cost of Accruals Test (post April 2016)</li> <li>• Contributions and contribution phasing within the transitional periods</li> <li>• Investments and default investment option availability for members</li> </ul> <p><b>4. Main Organisations</b></p> <ul style="list-style-type: none"> <li>• The organisations and their involvement in Automatic Enrolment The role of the Department for Work and Pensions</li> <li>• The role of the Pensions Regulator</li> </ul>
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## ELECTIVE UNIT

### UNIT CPE 015

#### SHORT SERVICE REFUND LUMP SUMS FOR OCCUPATIONAL PENSION SCHEMES

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an understanding of the meaning of a Short Service Refund Lump Sum (SSRLS) for occupational pension schemes and the options available for members within Her Majesty's Revenue & Customs (HMRC) conditions for payment

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the other options that may be available for a member leaving the scheme before retirement
- Understand what a SSRLS is and the circumstances under which it can be paid, including salary sacrifice schemes, the tax rules and impacts on payment and the timescales for payment
- Understand how contracted-out benefits affect the SSRLS payment including Scheme Administration Member Payments, Contributions Equivalent Premiums and Certified Amounts

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand the other options that may be available for a member leaving the scheme before retirement</li> <li>2. Understand what a SSRLS is and the circumstances under which it can be paid, including salary sacrifice schemes, the tax rules and impacts on payment and the timescales for payment</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Regulations surrounding Early Leavers from a pension scheme</b> <ul style="list-style-type: none"> <li>• Legislation concerning Vested rights</li> <li>• Rights and options for early leavers</li> </ul> </li> <li>2. <b>Regulations surrounding Short Service Refund Lump Sums</b> <ul style="list-style-type: none"> <li>• Entitlement to a refund</li> <li>• How Salary Sacrifice affects refunds</li> <li>• Timescales and Disclosure requirements</li> <li>• Taxation of refund payments the and how this impacts on the payment including the tax thresholds</li> <li>• Scheme Administration Member Payments (SAMP)</li> <li>• Differences between DC and DB refunds</li> </ul> </li> </ol>

**3.** Understand how contracted- out benefits affect the SSRLS payment including Scheme Administration Member Payments, Contributions Equivalent Premiums and Certified Amounts

**3. Contracted out rights**

- How contracting out impacts on a member's refund payment
- Contributions Equivalent Premium
- Certified Amount
- Offsetting the Certified Amount with SAMPS
- How Scheme Administration Member Payments (SAMPs) affect the SSRLS amount when refunding contributions to the member
- Know how to calculate a SSRLS Incorporating Contracted Out Benefits and SAMPs

## ELECTIVE UNIT

### UNIT CPE 016

#### INTRODUCTION TO OCCUPATIONAL PENSION SCHEME DEATH BENEFITS

### Aim

The aim of this unit is to provide occupational pension scheme administrators with an overview of the different types of lump sum death benefits and dependant's/civil partner's pensions available and Her Majesty's Revenue & Customs conditions for their payment to member's dependants or their legal personal representative

### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the main features Lump Sum Death Benefits available following the death of a member/pensioner in an occupational pension scheme
- Explain the definition of a dependant and the restrictions on a dependant's pension.
- Understand the impact on a death benefit payment for a member who has died whilst still a member of the pension scheme and who has contracted-out rights within his/her accrued pension benefits.
- Outline the administration issues, HMRC procedures and timescales for payment of death benefits to a member or pensioner

Performance Criteria	Syllabus
You can:	You will:
<p><b>1.</b> Understand the main features Lump Sum Death Benefits available following the death of a member/pensioner in an occupational pension scheme</p>	<p><b>1. The features of the main Lump Sum Death Benefits to include</b></p> <ul style="list-style-type: none"> <li>• The different types of lump sums including Defined Benefit Lump Sum (DBLS), Uncrystallised Funds Pension Lump Sum (UFPLS) and Flexi Access Drawdown (FAD)</li> <li>• The type of scheme the payment can be made from</li> <li>• Any amount or age restraints on the amount to be paid out to beneficiaries</li> <li>• Common methods of calculating the lumps sums payable (multiple of salary, fund value etc.)</li> </ul> <p><b>Why administrators should always check the rules of the pension scheme</b></p> <ul style="list-style-type: none"> <li>• HMRC rules and how they should be applied to occupational pension schemes</li> <li>• Scheme rules can have different rules to the HMRC rules and are not always the same</li> <li>• Terminology used in scheme rules may differ from terminology used in the HMRC Pensions Tax Manual</li> </ul>

2. Explain the definition of a dependant and the restrictions on a dependant's pension.
3. Understand the impact on a death benefit payment for a member who has died whilst still a member of the pension scheme and who has contracted-out rights within his/her accrued pension benefits.
4. Outline the administration issues, HMRC procedures and timescales for payment of death benefits to a member or pensioner

## 2. Dependant's pensions

- HMRC definition of dependant
- The names of the different HMRC Lump Sum Death Benefits available
- Restrictions on paying a dependant's pension
- Financial dependence and Mutual dependence
- Scheme specific definitions
- Children's pensions
- Dependant's pension rules (scheme rules, maximum amounts, restrictions, types of pensions available)
- Rules surrounding spouses who are significantly younger than member
- Nominees and Successors

### The importance of Expression of Wish/Nomination forms

- Trustee Discretion
- Inheritance Tax relief

## 3. Contracted-out rights and how they impact on dependant's pensions

- Rules regarding the payment of widow's/widower's GMP on death

### The occupational pension scheme rules and options available following the death of a member in each of the following

- Death in service
- Death in deferment
- Death in retirement

#### Death in deferment

- Dependant's pension
- Lump sum benefits available

## 4. Administration issues and timescales

- Lifetime Allowance information
- Information to be sent to the legal personal representative
- The role of the legal personal representative
- The Information required by the administrator to complete a death case

### Lump sum death benefit payment timescales

- Notification from various parties
- 2 year timescales and penalties

## ELECTIVE UNIT

### UNIT CPE 017

#### THE ANNUAL ALLOWANCE

##### Aim

The aim of this unit is to provide an overview of the annual allowance including the background to the Annual Allowance, key features of the legislation and how to calculate a member's entitlement.

It will explain what Pension Input Periods (PIP) are and how to calculate them, what Pension Input Amounts (PIA) are and how to calculate them, and identify the key features of carry forward provisions, exemptions from the Annual Allowance test, disclosure requirements and the rules regarding the scheme paying the Annual Allowance charge

### On successful completion of this unit candidates will

- Understand the background to the Annual Allowance including why it was introduced and the recent history including the reasons behind the reduction in the figure
- Understand what a/the Pension Input Period (PIP) is and how to identify it for a member of an Occupational Pension scheme
- Understand the background and rules that surround the Annual Allowance

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand what a/the Pension Input Period (PIP) is and how to identify it for a member of an Occupational Pension scheme</li> <li>2. Understand what Pensions Input Amount (PIA)</li> </ol>	<ol style="list-style-type: none"> <li>1. Pension Input Period <ul style="list-style-type: none"> <li>• Explain the Pension Input Period (PIP)</li> <li>• How to identify the PIP for a scheme member</li> </ul> </li> <li>2. Pensions Input Amount <ul style="list-style-type: none"> <li>• What the Pensions Input Amount (PIA) is and how to calculate it for an occupational pension scheme member (covering both DB and DC Schemes)</li> <li>• How to calculi the PIA with additions and subtractions from the closing value</li> </ul> </li> </ol>



Performance Criteria	Syllabus
You can:	You will:
<p><b>3.</b> Understand the background and rules that surround the Annual Allowance</p>	<p><b>3. Annual Allowance</b></p> <ul style="list-style-type: none"> <li>• What is it?</li> <li>• Why was introduced?</li> <li>• Why it has been reduced significantly?</li> <li>• The impact on the Annual Allowance if the Money Purchase Annual Allowance (MPAA) is triggered</li> <li>• The carry forward provisions affect a member's Annual Allowance figure</li> <li>• The Impact of Money Purchase Annual Allowance Rules</li> <li>• What are the exemptions to the Annual Allowance Test</li> <li>• The disclosure requirements surrounding the Annual Allowance</li> <li>• How much the Annual Allowance charge is and how it can be paid, including the "scheme pays" option and the rules surrounding this</li> </ul>

## MANADATORY UNIT

UNIT CPE 018

### INTRODUCTION TO INVESTMENT REGULATED PENSION SCHEMES

#### Aim

The aim of this unit is to provide Investment Regulated Pension Scheme (IRPS) administrators with an introduction to schemes commonly known as Small Self-Administered Schemes (SSAS) and Self Invested Personal Pensions (SIPPs) providing an overview of current practices and how these Schemes have evolved.

The unit also covers the current legislation status and the differences between the two types of Scheme.

#### Learning Outcomes

On successful completion of this unit candidates will:

- Understand the roles and duties of the key stakeholders in an Investment Regulated Pension Scheme (IRPS)
- Understand the different roles and responsibilities in the Regulatory Regime
- Be able to identify the different types of Governing Documentation connected with IRPS and explain their purpose
- Identify the main features of Small Self-Administered Schemes (SSAS)
- Identify the main features of Self Invested Pension Schemes (SIPPs)
- Explain the differences between SSAS and SIPP Schemes
- Identify the benefits available with SSAS and SIPP Schemes and explain how they are paid
- Understand HMRC reporting requirements for SSAS and SIPP Schemes

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand the roles and duties of the key stakeholders in an Investment Regulated Pension Scheme (IRPS)</li> <li>2. Understand the different roles and responsibilities in the Regulatory Regime</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Key Stakeholders</b> <ul style="list-style-type: none"> <li>• The Role and Duties of the different trustees</li> <li>• The Role and Duties of the Scheme Administrator</li> <li>• The Role and Duties of the SIPP Operator</li> <li>• The Role and Duties of the SSAS Sponsoring Employer</li> <li>• The Beneficiaries</li> <li>• The "Three Hats"</li> </ul> </li> <li>2. <b>Regulatory Regime</b> <ul style="list-style-type: none"> <li>• The Role of the Pensions Regulator</li> <li>• The Role of HM Revenue &amp; Customs</li> <li>• The Role of the Financial Conduct Authority</li> <li>• Disclosure and making complaints</li> </ul> </li> </ol>

<p><b>3.</b> Be able to identify the different types of Governing Documentation connected with IRPS and explain their purpose</p> <p><b>4.</b> Identify the main features of Small Self-Administered Schemes (SSAS)</p> <p><b>5.</b> Identify the main features of Self Invested Pension Schemes (SIPPs)</p> <p><b>6.</b> Explain the differences between SSAS and SIPP Schemes</p>	<p><b>3. Governing Documentation:</b></p> <ul style="list-style-type: none"> <li>• The Definitive Trust Deed and Rules and constituent parts</li> <li>• The Announcement Notice</li> <li>• The Member Agreement (including Terms and Conditions of the scheme)</li> </ul> <p><b>4. Introduction to Small Self-Administered Schemes (SSAS):</b></p> <ul style="list-style-type: none"> <li>• Brief history and main simplification changes.</li> <li>• Establishment</li> <li>• Key features</li> <li>• Pensions Act 1995 Exemptions and additional requirements when all members are not trustees</li> <li>• The principle of the common pooled fund</li> <li>• Wind Up</li> </ul> <p><b>5. Introduction to Self Invested Personal Pensions (SIPPs)</b></p> <ul style="list-style-type: none"> <li>• Brief history and main simplification changes</li> <li>• Establishment</li> <li>• Key features and governance</li> <li>• Structure and comparison with normal personal Pension Plans</li> <li>• Eligibility</li> <li>• FCA regulatory requirements</li> </ul> <p><b>6. Comparison between SSAS and SIPPs</b></p> <ul style="list-style-type: none"> <li>• The property and lending rules and how they differ between a SIPP and a SSAS</li> <li>• Outline the advantages and disadvantages of transferring to a SIPP</li> <li>• Occupational/personal</li> <li>• Membership</li> <li>• Trusteeship</li> <li>• Investment flexibility and choice</li> </ul> <p><b>Investment Options</b></p> <ul style="list-style-type: none"> <li>• The Trustee Bank Account/Pooled Bank Accounts</li> <li>• Investment choices particularly loans/property</li> <li>• Taxable Property</li> <li>• Scheme Borrowing</li> </ul> <p><b>Accumulating Funds:</b></p> <ul style="list-style-type: none"> <li>• Contributions and tax relief methods</li> <li>• Transfers</li> </ul>
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<p><b>7.</b> Identify the benefits available with SSAS and SIPP Schemes and explain how they are paid</p> <p><b>8.</b> Understand HMRC reporting requirements for SSAS and SIPP Schemes</p>	<p><b>7. Benefits</b></p> <ul style="list-style-type: none"><li>• Retirement</li><li>• Death considerations</li><li>• Annuities</li><li>• FAD – Flexi Access Drawdown</li><li>• UFPLS – Uncrystallised Funds Pension Lump Sum</li><li>• Protection</li><li>• Liquidity considerations these are very different to any other DC scheme</li><li>• Unauthorised payments</li><li>• Connected Party Transactions;</li><li>• What constitutes a connected party?</li><li>• The reason why the trustees must be careful in such circumstances</li><li>• The consequences of getting it wrong</li></ul> <p><b>8. Reporting</b></p> <ul style="list-style-type: none"><li>• Registering a SSAS</li><li>• Annual reporting</li><li>• Event reporting</li></ul>
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## MANADATORY UNIT

UNIT PMI 001

ACTION RESEARCH REPORT

### Aim

This unit is designed to enable learners to become confident using research techniques and methods. It addresses the elements that make up formal research including the proposal, a variety of research methodologies, action planning, carrying out the research itself and presenting the findings. To complete the unit satisfactorily, learners must also understand the theory that underpins formal research.

The actual research depends on the learner and the area of pensions they work in, the context of their area of learning, their focus of interest and the anticipated outcomes. The unit draws together a range of other areas from within the Diploma to form a holistic piece of work that will make a positive contribution to the sector.

Learners need to seek approval from their tutors before starting their research project and complete the Project Proposal form.

### Learning Outcomes

On successful completion of this unit candidates will:

Performance Criteria	Syllabus
You can:	You will:
<ol style="list-style-type: none"> <li>1. Understand how to formulate a research proposal</li> <li>2. Be able to implement the research project within agreed procedures and to specification</li> </ol>	<p><b>(A) Decide on the proposal and complete the Proposal Form</b></p> <ul style="list-style-type: none"> <li>• Formulate and record possible research project outline specifications</li> <li>• Identify the factors that contribute to the process of research project selection</li> <li>• Undertake a critical review of key references</li> <li>• Produce a research project outline</li> <li>• Provide an appropriate proposal (Including procedures) for the agreed research specification</li> </ul> <p><b>(B) Implement the project</b></p> <ul style="list-style-type: none"> <li>• Match resources efficiently to the research question or hypothesis</li> <li>• Undertake the proposed research investigation in accordance with the agreed specification and procedures</li> <li>• Record and collate relevant data where appropriate</li> </ul>

<p><b>3.</b> Be able to evaluate the research outcomes</p> <p><b>4.</b> Be able to present the research outcomes</p>	<p><b>(C) Evaluate the research</b></p> <ul style="list-style-type: none"><li>• Use appropriate research evaluation techniques</li><li>• Interpret and analyse the results in terms of the original research specification</li><li>• Make recommendations and justify areas for further consideration</li></ul> <p><b>(D) Present the research</b></p> <ul style="list-style-type: none"><li>• Use an agreed format and appropriate media to present the outcomes of the research to an audience.</li><li>• If possible present the research for publication</li></ul>
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## Reading List (*for all units*)

### Books:

There is no specific set text for this qualification. However, it is expected that learners will gain much of the knowledge necessary to achieve the qualification by using the:

- OPQ Retirement & Death Benefits Plan Scheme Booklet
- RST Pension Scheme Booklet
- XYZ Pension and Life Assurance Scheme Booklet
- Tables of Factors (*relevant for all Scheme Booklets*)

All of these can be found on the relevant pages of the [CPC Learning Website](#).

### Other books for review:

Luderer, B. **Classical Financial Mathematics**, Springer; 1st ed. 2021 edition (18 Feb. 2021), ISBN-10: 3658320370/ISBN-13: 978-3658320379.

O'Loughlin B. **Fundamentals of Investment** (A Practitioners Guide), Routledge; 1st edition (9 Jun. 2019), ISBN-10: 1138061620X/ISBN-13: 978-1138061620.

Read J. **Pensions and You: A Simplified View of the UK Pensions System**, ASIN B06Y5BLX8B

### Journals and Magazines:

Financial Adviser. London: FT Business. Weekly. Available online at [www.ftadviser.com](http://www.ftadviser.com).

Money Management. London: FT Business. Monthly. Available online [www.ftadviser.com/brand/money-management](http://www.ftadviser.com/brand/money-management)

Money Marketing. London: Centaur Communications. Weekly. Available online at [www.moneymarketing.co.uk](http://www.moneymarketing.co.uk)

Pensions Age. London: Perspective. Monthly. Available at [www.pensionsage.com](http://www.pensionsage.com)

Pensions insight. Newsquest Specialist Media. Monthly. Available at [www.pensionsinsight.co.uk](http://www.pensionsinsight.co.uk).

Professional pensions. London: Incisive Media. Weekly. Available at [www.professionalpensions.com](http://www.professionalpensions.com).

## Exam Guides

There are many modestly priced guides available in bookshops, or online through retailers such as Waterstones, Amazon etc. You should choose one which suits your situation and your requirements.