



Certificate in DC Governance Test Specification

The Certificate in DC Governance uses the following variety of question types:

Question Type	Question Type description	Marks per Question
A	self-contained single answer multiple choice questions where candidates are requested to select the correct option from a choice of four.	1 mark
B	single answer multiple choice questions where candidates are presented with two statements and requested to identify whether a) both statements are true, b) only i) is true, c) only ii) is true or d) both statements are false.	1 mark

The Certificate in DC Governance will be assessed through questions of Types A and B as denoted above. Sample illustrative questions are provided at the end of this Test Specification.

For examinations from April 2016 onwards the Certificate in DC Governance will be assessed through an examination of total duration ninety minutes, containing:

55	Type A questions
35	Type B questions

90 marks in total. 100% of overall mark.

Sample Questions

Type A - self-contained single answer multiple choice questions [select correct option from choice of 4].

- In a DC workplace pension scheme, the member
 - must always contribute
 - cannot predict the final level of benefit in advance
 - will always be worse off than he would have been in a defined benefit arrangement
 - must always take his benefits at State Pension Age.
- The Pensions Regulator advises that its DC Code of Practice (No. 13) should be read in conjunction with a number of other Codes - including which one of the following Codes?
 - Notifiable Events (No. 2).
 - Early Leavers (No. 4).
 - Reporting late payment of contributions to personal pension schemes (No. 6.).
 - Circumstances in relation to the material detriment test (No. 12.).

3. What is the role of an Independent Governance Committee?
- a. To appoint professional advisers to the scheme.
 - b. To produce annual communications for the scheme.
 - c. To monitor and report on whether the scheme and provider is delivering value for money.
 - d. To challenge employers on contribution levels.

Type B - single answer multiple choice questions [multiple true false].

Multiple true false format. They comprise two statements (numbered (i) and (ii) and four possible options (lettered 'a' both true; 'b' Only (i) true; 'c' Only (ii) true; and 'd' both false), only ONE of these options is correct.

4. (i) The concept of flexi-access drawdown was introduced by the Finance Act 2014.
(ii) Flexi-access drawdown funds may be paid in connection with pension commencement lump sums.
- a. Both True
 - b. Only (i) True
 - c. Only (ii) True
 - d. Both False
5. The Pensions Act 2014 makes provision for exemptions for automatic enrolment for
- (i) those who have tax protection
 - (ii) former employees who have been paid a winding up lump sum in the previous 12 months and are subsequently re-employed by the same employer.
- a. Both True
 - b. Only (i) True
 - c. Only (ii) True
 - d. Both False
6. (i) The pensions guidance guarantee introduced by the Pension Schemes Act 2015 is delivered through the independent services of Pensions Wise.
(ii) Service delivery standards and compliance to those standards by Pension Wise is overseen by the Department for Work & Pensions.
- a. Both True
 - b. Only (i) True
 - c. Only (ii) True
 - d. Both False