



# **PMI Level 4 Diploma in Pensions Administration**

## **Qualification Specification**

# PMI Level 4 Diploma in Pensions Administration

## QUALIFICATION AIM

Suitable for more experienced pension scheme administrators working in either defined benefit (DB) or defined contribution (DC) schemes, or both. Designed to allow organisations and their pensions administrators to select and construct a competence based qualification that reflects their normal working activities.

## PREREQUISITES

There are no formal prerequisites for this qualification; either qualifications or knowledge and experience.

Some candidates will have undertaken the PMI Certificate in Pensions Administration or the Certificate in Pension Calculations.

However, we would anticipate most candidates would be working in the field.

## TRAILBLAZER APPRENTICESHIP

This qualification can be undertaken as part of the workplace pensions trailblazer apprenticeship. Full details can be found on the PMI website.

## ACCREDITATION OF PRIOR LEARNING

Those who have completed the PMI Certificate in Pensions Administration or the Certificate in Pension Calculations will be able to apply relevant credits toward this qualification.

## QUALIFICATION STRUCTURE AND COMPLETION CRITERIA

This qualification comprises sixteen units.

### Work-based Units

- Unit 1: Applying Overriding Regulatory Requirements (Mandatory)
- Unit 2: Project Management
- Unit 3: Administering a Scheme through a Pension Protection Fund Assessment Period
- Unit 4: Process Pension Increases to Pensions in Payment
- Unit 5: Implementation of a Pension Sharing Order
- Unit 6: Mentoring and Training Colleagues within Pensions Administration
- Unit 7: Identify and Recommend a New Pensions Administration Process or an Improvement to an Existing One
- Unit 8: Dealing with Pension Scheme Complaints, Disputes, Errors or Omissions
- Unit 9: Implement a Change to a Pension Administration Process

### Examined Units

- Unit 10: Calculate and Quote DB & DC Pension Scheme Death Benefits for Members without Special Circumstances
- Unit 11: Calculate and Quote DB & DC Pension Scheme Leavers Benefits for Members without Special Circumstances
- Unit 12: Calculate and Quote DB & DC Pension Scheme Retirement Benefits for Members without Special Circumstances
- Unit 13: Calculate and Quote DB & DC Pension Scheme Death Benefits for Members with Special Circumstances
- Unit 14: Calculate and Quote DB & DC Pension Scheme Leavers Benefits for Members with Special Circumstances

- Unit 15: Calculate and Quote DB & DC Pension Scheme Retirement Benefits for Members with Special Circumstances
- Unit 16: Calculate and Quote DB & DC Pension Scheme Transfers In and Transfers Out for Members.

Ten out of the sixteen units must be achieved in order to complete the qualification. Unit 1 is mandatory.

### **QUALIFICATION DELIVERY**

This qualification is delivered via PMI approved centres. Approved centres must comply with the relevant Regulations and Guidance Notes. These can be found on the website.

### **ASSESSMENT**

Units 1 to 9 are assessed through work-based assessment where evidence is drawn from the day to day activities carried out by the candidate. Units 10 to 16 are assessed through open book case study examinations externally assessed. The case studies are based on three fictitious pension schemes – two defined benefit schemes and one defined contribution scheme. For the examined units Past Papers and Examiners' reports can also be found on the website.

Further details on assessment can be found in the Test Specification.

### **TRANSITIONAL ARRANGEMENTS**

Those who have completed units from previous versions of this qualification will obtain credit for them according to the transitional arrangements. This document can be found in Appendix 1 and on the website. In the case of units that have been merged or withdrawn these can be completed until 31 December 2017.

### **RECOMMENDED STUDY TIME**

This is also known as Total Qualification Time (TQT) or Guided Learning Hours. TQT is a measure required by Ofqual the qualifications regulator and is comprised of:

- a. Guided Learning Hours (GLH). This means time spent being taught by an instructor (and not necessarily face to face); and
- b. Study Time. This means self study/revision/reading

In order to comply with Ofqual requirements and to provide an estimation of study time we have calculated the following:

As GLH, as defined above, is not common we have estimated a total of 10 hours for this component. For study time we have estimated 30 hours per unit. Therefore TQT = 400 hours for this qualification.

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.

The qualification is normally achieved within five years of registration.

### **REGULATION**

This qualification is regulated by Ofqual and appears in the Register of Regulated Qualifications: <http://register.ofqual.gov.uk/>

### **QUALIFICATION LEVEL**

This qualification has been benchmarked at Level 4 in the national framework.

## **FEES**

Fees for this qualification can be found on this page; <http://www.pensions-pmi.org.uk/qualifications-and-learning/diploma-in-pensions-administration-overview/diploma-in-pensions-administration-fees/> and here in the Qualification fees document : <https://www.pensions-pmi.org.uk/documents/qualification-fees-2018/12018qualificationfees.pdf>

## **QUALIFICATION LEVEL**

This qualification has been benchmarked at Level 4 in the national framework.

## **LINKS WITH OTHER QUALIFICATIONS AND PROGRESSION**

Those who complete this qualification could proceed to complete additional PMI administration focussed qualifications such as the Certificate in Pension Scheme Member Guidance. Alternatively they could pursue the PMI Diploma and Advanced Diploma in Retirement Provision.

The exact choice will depend on individual circumstances and career path.

## **MEMBERSHIP ENTITLEMENT**

Candidates undertaking the qualification will be automatically enrolled as VQ Student Members on registration for the duration of their study

Candidates completing the qualification successfully will be eligible to seek election as Diploma Members of the PMI with the designatory initials DipPMI.

## **CONSTITUENT UNITS**

For each of the work-based units the learning outcomes are followed by some more detailed performance criteria.

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

## **UNIT 1: APPLYING OVERRIDING REGULATORY REQUIREMENTS**

### **Aim**

### **Learning Outcomes**

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

- The overriding regulatory requirements for the administration of pension schemes.
- How governing bodies interact with pension schemes.
- The consequences of non-compliance in meeting the overriding regulatory requirements.
- The current legislation concerning the difference between giving financial information and financial advice.
- The signatures and authorisations you need to settle benefits and/or to provide information.

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Apply <b>overriding regulatory requirements</b> for administration of pension schemes.</li> <li>2. Explain how <b>governing bodies</b> interact with pension schemes.</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <p>(A) Apply <b>overriding regulatory requirements</b> in all of the following:</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) Explain how the following <b>governing bodies</b> interact with pension schemes:</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>

### Evidence

Evidence can be provided through internal training and e-learning and you can prove that you have passed the training. Alternatively, evidence can be provided by candidate statements, work based evidence or through question and answer sessions.

## UNIT 2: PROJECT MANAGEMENT

### Aim

### Learning Outcomes

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

- How to identify the relevant people who will be involved in the project.
- How to create a project plan including, tasks, timescales, resources, risks and contingencies.
- How to monitor a project against the project plan.
- How to identify issues that may affect completion of the project on time.
- How to revise a project plan in light of any changing circumstances.
- How and when to communicate with the relevant people and the best methods to use.
- How to evaluate the success of the project.

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Agree the objective, scope and timescale of the project with the <b>relevant people</b>.</li> <li>2. Create a <b>project plan</b>.</li> <li>3. Agree the <b>project plan</b> with the <b>relevant people</b>.</li> <li>4. <b>Manage</b> the project.</li> <li>5. Monitor progress of the project against the <b>project plan</b>.</li> <li>6. <b>Revise</b> the plan in light of changing circumstances.</li> <li>7. <b>Communicate</b> progress and any changes to the <b>relevant people</b>.</li> <li>8. Complete and <b>review</b> the project with the relevant people.</li> </ol> <p><b>NOTE - Projects can include:</b></p> <ul style="list-style-type: none"> <li>• Annual Benefit Statement</li> <li>• Life Certificates</li> <li>• Annual Allowance</li> <li>• Employer Returns</li> <li>• Annual Renewal</li> <li>• Payroll Data</li> <li>• AVC Fund Values</li> <li>• Contributions for a DC pension scheme</li> <li>• DC monthly investment cycle</li> <li>• DC lifestyleing</li> <li>• Any other project</li> </ul>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>A) Agree the objective, scope and timescale of the project with any of the following <b>relevant people</b>:             <ol style="list-style-type: none"> <li>(i) Project team members</li> <li>(ii) Mangers</li> <li>(iii) Trustees.</li> </ol> </li> <li>B) Create a <b>project plan</b> to identify any of the following:             <ol style="list-style-type: none"> <li>(i) key milestones</li> <li>(ii) key staff, potential risks</li> <li>(iii) contingencies.</li> </ol> </li> <li>C) <b>Manage</b> either;             <ol style="list-style-type: none"> <li>(i) the whole project or</li> <li>(ii) a workstream within the project.</li> </ol> </li> <li>D) <b>Revise</b> the project plan to take into account any of the following:             <ol style="list-style-type: none"> <li>(i) staffing</li> <li>(ii) resources</li> <li>(iii) system failures.</li> </ol> </li> <li>E) <b>Communicate</b> progress and any changes via any of the following methods:             <ol style="list-style-type: none"> <li>(i) team emails</li> <li>(ii) project meetings</li> <li>(iii) phone calls.</li> </ol> </li> <li>F) <b>Review</b> against the project plan.</li> </ol>

### **UNIT 3: ADMINISTERING A SCHEME THROUGH A PPF ASSESSMENT PERIOD**

#### **Aim**

#### **Learning Outcomes**

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

- What event triggers a PPF assessment period and which type of schemes are protected by the PPF?
- What is the impact of starting a PPF assessment period on a pension scheme?
- What is meant by the term 'Admissible Rules'?
- What are the PPF compensation levels that apply to members during a PPF assessment period?
- What are the different rules that apply to members during a PPF assessment period compared to an ongoing pension scheme including retirement and death benefits, revaluation and indexation?
- What are the tasks that the PPF require to be completed during a PPF assessment period?
- What is the purpose of the section 143 valuation/ funding determination as a funding determination can now be used in place of a S143 valuation?
- What are the roles and responsibilities of the PPF and the trustee(s) during the PPF assessment period?
- Which assessment period tasks have strict timescales under PPF regulations?
- What are the PPF's key performance indicators and how are they measured?
- What happens to a scheme once it completes the PPF assessment period if it is:
  1. Overfunded on the PPF basis?
  2. Underfunded on the PPF basis?

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Complete <b>assessment period tasks</b> in line with organisational and regulatory requirements.</li> <li>2. <b>Communicate</b> with all relevant parties during the assessment period.</li> <li>3. Update records in line with organisational requirements.</li> <li>4. Validate scheme data by identifying and resolving any inconsistencies or omissions.</li> <li>5. Adhere to the timescales set by the trustee(s)/PPF scheme delivery associate and PPF regulations.</li> <li>6. Adhere to the budget agreed with the trustees and PPF scheme delivery associate.</li> <li>7. Maintain confidentiality.</li> </ol>	<p>In meeting the performance criteria you must <u>administer one scheme</u> and show you can:</p> <p>(A) Complete <u>four</u> of the following PPF <b>assessment period tasks</b>:</p> <ol style="list-style-type: none"> <li>(i) GMP reconciliation using Shared Workspace or re-input schedules</li> <li>(ii) Data audit</li> <li>(iii) Benefit audit</li> <li>(iv) PPF cutback calculations</li> <li>(v) Identifying and securing money purchase benefits</li> <li>(vi) Identifying and actioning insured pensions</li> <li>(vii) Carrying out transition activities to transfer the scheme to the PPF or wind up the scheme outside the PPF</li> <li>(viii) Prepare a budget or project plan</li> <li>(ix) Prepare and issue member announcements</li> <li>(x) Complete a member tracing and existence exercise</li> <li>(xi) Prepare and issue valuation summaries</li> <li>(xii) Preparation of valuation data.</li> </ol> <p>(B) <b>Communicate</b> with <u>four</u> of the following parties:</p> <ol style="list-style-type: none"> <li>(i) Members</li> <li>(ii) Scheme actuary</li> <li>(iii) Trustee(s)</li> <li>(iv) NIC &amp; EO</li> <li>(v) PPF scheme delivery associate</li> <li>(vi) Providers.</li> </ol>



## **UNIT 4: PROCESS PENSION INCREASES TO PENSIONS IN PAYMENT**

### **Aim**

### **Learning Outcomes**

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

- How to create a project plan in line with organisational requirements.
- Awareness of statutory, scheme and organisational timescales for pensions in payment.
- How to apply calculation methods and standard practices.
- How to identify sources of information for resolution of queries.
- What the different methods are to notify members of the increase.
- How to review the project plan periodically and at the end of the process.

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Create and review a project plan to update member records in accordance with the Pensions Increase Review.</li> <li>2. Agree and monitor appropriate <b>timescales</b> to ensure compliance with scheme processes and payroll requirements.</li> <li>3. Review scheme documentation to <b>establish the basis</b> of the increase.</li> <li>4. <b>Apply increases</b> to update data in order to pay pension increase.</li> <li>5. <b>Test updated data</b> with increases applied.</li> <li>6. Investigate and resolve any <b>queries/special circumstances</b>.</li> <li>7. Notify members of the pension increase if applicable.</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <p>(A) <b>Establish the basis</b> of increase use the following methods as applicable:</p> <ol style="list-style-type: none"> <li>(i) Fixed increase</li> <li>(ii) Retail Price Index (RPI)</li> <li>(iii) Consumer Price Index (CPI)</li> <li>(iv) Pension splits (including GMPs)</li> <li>(v) Discretionary increase.</li> </ol> <p>(B) <b>Test updated data</b> by checking the following for at least <u>ten</u> members:</p> <ol style="list-style-type: none"> <li>(i) Current pensions in payment</li> <li>(ii) Any pension splits (including GMPs.)</li> </ol> <p>(C) Resolve at least <u>two</u> of the following <b>queries or special circumstances</b>:</p> <ol style="list-style-type: none"> <li>(i) Member has multiple records</li> <li>(ii) Query temporary national insurance number</li> <li>(iii) Child pensions due for review</li> <li>(iv) Ill health pensioners due for review</li> <li>(v) Discretionary or additional benefits</li> <li>(vi) Members approaching GMP age since last increase</li> <li>(vii) Members retiring within the last year</li> <li>(viii) Other (must specify in assessment.)</li> </ol> <p>(D) <b>Apply increases</b> (to at least <u>ten</u> members) using <u>one</u> of the following methods:</p> <ol style="list-style-type: none"> <li>(i) Electronic</li> <li>(ii) Manual.</li> </ol> <p>(E) Ensure that scheme, regulatory and/or organisational service level <b>timescales</b> are met.</p>

## **UNIT 5: IMPLEMENTATION OF A PENSION SHARING ORDER**

### **Aim**

### **Learning Outcomes**

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

- How to apply a pension sharing order.
- How to apply calculation methods and standard practices.
- Where to identify sources of information for the resolution of queries?
- What are the scheme requirements for the discharge of benefits?
- Who the receiving scheme is and what information they require, if applicable.
- How to apply scheme regulations/rules in order to inform member/partner of appropriate options available to them.
- The internal procedures that you need to follow and records that need to be updated.

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Ensure Pension Sharing Order is authorised by the Court.</li> <li>2. Obtain all information required from the <b>appropriate party(ies)</b> to enable Pension Sharing Order to be implemented.</li> <li>3. Obtain payment of administration charges, where applicable.</li> <li>4. Calculate the CETV or provide relevant information to the Actuary to calculate the transfer value, as applicable.</li> <li>5. Provide the <b>member</b> with relevant information, including any details of charges, within required <b>timescales</b>.</li> <li>6. Create record for Pension Credit member or arrange an external transfer to receiving pension scheme.</li> <li>7. Update <b>member's</b> record with details of Pension Debit.</li> <li>8. Inform <b>appropriate party(ies)</b> of the implementation of the Pension Sharing Order within required <b>timescales</b>.</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Process <u>one</u> pension sharing order covering <u>any</u> of the following categories of <b>member</b>: <ol style="list-style-type: none"> <li>(i) Active member</li> <li>(ii) Deferred member</li> <li>(iii) Retired member.</li> </ol> </li> <li>(B) Communicate with <u>any</u> of the following <b>appropriate party(ies)</b> about the Pension Sharing Order: <ol style="list-style-type: none"> <li>(i) Credit and debit member</li> <li>(ii) Credit and debit member's representative(s)</li> <li>(iii) Professional Advisors.</li> </ol> </li> <li>(C) Ensure that <u>both</u> of the following <b>timescales</b> are met: <ol style="list-style-type: none"> <li>(i) Regulatory</li> <li>(ii) Scheme or organisational service level agreements.</li> </ol> </li> </ol>

**UNIT 6:            MENTORING AND TRAINING COLLEAGUES WITHIN PENSIONS  
ADMINISTRATION**

**Aim**

**Learning Outcomes**

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

- How to identify and address development needs.
- How to put together a development plan.
- How changes in pensions legislation affects development needs.
- The different methods of supporting others and why some methods are more suitable than others.
- How to evaluate the effectiveness of the training.

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Clarify/identify your colleague's <b>development need(s)</b>.</li> <li>2. <b>Discuss and agree</b> a development plan.</li> <li>3. Seek approval from the <b>appropriate person</b> to implement the development plan.</li> <li>4. Implement the agreed development/training plan within the appropriate timescales.</li> <li>5. <b>Evaluate and review</b> the effectiveness of the training.</li> <li>6. Continue to monitor training and development needs.</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <p>(A) Clarify/identify a <b>development need</b> in <u>three</u> of the following areas taking appropriate timescales into account:</p> <ol style="list-style-type: none"> <li>(i) Pensions technical knowledge</li> <li>(ii) Customer service</li> <li>(iii) Team working</li> <li>(iv) Communication skills</li> <li>(v) Regulatory requirements</li> <li>(vi) Other.</li> </ol> <p>(B) <b>Discuss and agree</b> a development/training plan using any of the following methods:</p> <ol style="list-style-type: none"> <li>(i) Job competency training</li> <li>(ii) One to one work shadowing</li> <li>(iii) Coaching.</li> </ol> <p>(C) Discuss the development/training plan with the <b>appropriate person</b> taking into consideration:</p> <ol style="list-style-type: none"> <li>(i) Cost</li> <li>(ii) Timescale</li> <li>(iii) Method</li> <li>(iv) Relevance.</li> </ol> <p>(D) <b>Evaluate and review</b> the effectiveness of the training:</p> <ol style="list-style-type: none"> <li>(i) Immediately</li> <li>(ii) Within an appropriate timescale.</li> </ol>

## **UNIT 7: IDENTIFY AND RECOMMEND A NEW PENSIONS ADMINISTRATION PROCESS OR AN IMPROVEMENT TO AN EXISTING ONE**

### **Aim**

### **Learning Outcomes**

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

- How to identify an opportunity for an improvement to, or, creation of a pensions administration process.
- What factors need to be considered when deciding whether a new process or a potential improvement is essential or desirable and whether it is feasible?
- How to determine the best way of implementing an improvement or creating a new process.
- How to identify the budget and/or resource implications.
- How to identify who the relevant people are in your organisation who you should present your recommendations to.
- Identify the best method to present your findings.

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Identify an opportunity for <b>creating or improving</b> a pensions administration process.</li> <li>2. Determine the <b>feasibility and implication</b> of the potential creation or improvement.</li> <li>3. Explain how the potential change or improvement could be <b>implemented</b>.</li> <li>4. Clearly <b>present</b> your recommendations to the relevant people in the organisation.</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Identify an opportunity to <b>create or improve</b> a pensions administration process in <u>one</u> of the following areas: <ol style="list-style-type: none"> <li>(i) Administrative systems</li> <li>(ii) Computer systems</li> <li>(iii) Customer service</li> <li>(iv) Your workplace.</li> </ol> </li> <li>(B) Consider the <b>feasibility and implication</b> of the creation or improvement having regard to <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Overall impact</li> <li>(ii) Budget and/or resources required</li> <li>(iii) Desired outcome</li> <li>(iv) Implementation/non-implementation risks.</li> </ol> </li> <li>(C) Consider how the creation or improvement could be <b>implemented</b> taking into account <u>both</u> of the following: <ol style="list-style-type: none"> <li>(i) Timescales</li> <li>(ii) Available resources.</li> </ol> </li> <li>(D) <b>Present</b> your recommendations to the relevant people in your organisation in <u>one</u> of the following formats <ol style="list-style-type: none"> <li>(i) Management report</li> <li>(ii) Presentation.</li> </ol> </li> </ol>



## **UNIT 8: DEALING WITH PENSION SCHEME COMPLAINTS, DISPUTES, ERRORS OR OMISSIONS**

### **Aim**

### **Learning Outcomes**

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

- How to recognise the difference between a complaint, dispute, error or omission in line with scheme/organisational requirements.
- How to apply scheme or organisational overriding regulations for complaints/disputes.
- How to handle difficult/sensitive situations/issues in line with customer care guidelines.
- What the different stages are in the complaints/internal disputes procedures.
- What outside bodies can be involved in the dispute process and the roles they have.
- What procedures are used for keeping the relevant parties informed.
- The organisational and legal time limits in dealing with complaints and disputes.
- The process for review and determining improvements to organisational procedures.

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Acknowledge and record receipt of the <b>cases</b> in line with organisational requirements.</li> <li>2. Inform the <b>relevant party(ies)</b> of the Scheme's procedures if required.</li> <li>3. Investigate and resolve all <b>cases</b> according to regulatory and scheme or organisational requirements.</li> <li>4. Inform the <b>relevant party(ies)</b> of the decision reached giving any further options available within required <b>timescales</b>, where applicable.</li> <li>5. Update records in line with organisational procedures.</li> <li>6. Review organisational procedures to determine if improvements are needed and feedback to Manager.</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Resolve one Dispute OR 4 of any of the other <b>cases</b>: <ol style="list-style-type: none"> <li>1. Complaint</li> <li>2. Dispute</li> <li>3. Error</li> <li>4. Omission.</li> </ol> </li> <li>(B) Include <b>cases</b> from at least <u>two</u> of the following <b>parties</b>: <ol style="list-style-type: none"> <li>(i) Employee (non member)</li> <li>(ii) Active member</li> <li>(iii) Deferred member</li> <li>(iv) Retired member</li> <li>(v) Member representative</li> <li>(vi) Other (must specify in assessment).</li> </ol> </li> <li>(C) Process <b>cases</b> with reference to the following <b>relevant party(ies)</b> where appropriate: <ol style="list-style-type: none"> <li>(i) Trustee</li> <li>(ii) Scheme administrator/advisor</li> <li>(iii) Internal dispute resolution person(s)</li> <li>(iv) Pensions Regulator</li> <li>(v) Pensions Ombudsman</li> <li>(vi) FCA</li> <li>(vii) TPAS</li> <li>(viii) Other (must specify in assessment).</li> </ol> </li> <li>(D) Ensure that <u>both</u> of the following <b>timescales</b> are met: <ol style="list-style-type: none"> <li>(i) Regulatory</li> <li>(ii) Scheme or organisational service level agreement.</li> </ol> </li> </ol>

## **UNIT 9:           IMPLEMENT A CHANGE TO A PENSION ADMINISTRATION PROCESS**

### **Aim**

### **Learning Outcomes**

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

- How to determine the best way of implementing a change.
- Who are the people most likely to be affected by the change?
- How to collate feedback and determine its impact when implementing the change.
- Who you need to communicate with and at which stages of implementation of the change.
- What factors to take into account when agreeing timescales for implementation and what factors may cause the agreed timescales not to be met.
- How to evaluate the effectiveness of the change and who to report the final outcome to.

Performance criteria	Scope
<p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. <b>Explain</b> the requirement for the essential change.</li> <li>2. Take into account any feedback.</li> <li>3. Communicate the <b>change</b> to all relevant parties at the appropriate times.</li> <li>4. <b>Implement</b> the <b>change</b> within the agreed timescales.</li> <li>5. Manage any disruptions or deviations from agreed timescales.</li> <li>6. Review and report, to the relevant people, the effects of the change against the expected outcomes and identify any variances.</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <p>(A) <b>Explain</b> the essential change to any of the following:</p> <ol style="list-style-type: none"> <li>(i) Colleagues</li> <li>(ii) Customers</li> <li>(iii) Other organisations.</li> </ol> <p>(B) <b>Implement</b> the change in <u>one</u> of the following ways:</p> <ol style="list-style-type: none"> <li>(i) Via a third party</li> <li>(ii) By yourself</li> <li>(iii) As part of a team.</li> </ol> <p>(C) Schedule <b>appropriate times</b> for communication at <u>all</u> of the following stages:</p> <ol style="list-style-type: none"> <li>(i) Before the change</li> <li>(ii) During the change</li> <li>(iii) After evaluating the outcome of the change.</li> </ol>

## **UNIT 10:        CALCULATE AND QUOTE PENSION SCHEME DEATH BENEFITS FOR MEMBERS WITHOUT SPECIAL CIRCUMSTANCES**

### **Aim**

### **Learning Outcomes**

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

- The scheme rules for each of the schemes used in the case study examinations covering the payment of death benefits
- How to apply actuarial factors
- How to apply annuity rates
- The effects of overriding legislation on the benefits and options payable including the requirements of the HM Revenue & Customs and the Department for Work and Pensions
- How the benefit is made up: refund of contributions, lump sum (life assurance/5 year guarantee) and spouse's pension (including child pensions).
- How to apply statutory increases on deferred pensions for the period between date of exit and date of death
- How to apply statutory increases on pensions in payment
- The Disclosure requirements
- The distinction between giving financial information and financial advice (in accordance with the latest Financial Services and Markets Act)
- The distinction between paying lump sum benefits at the Trustees' discretion or to the deceased member's Estate or Legal Personal Representative(s)
- What information and documentation is required before the scheme can settle the benefits

PERFORMANCE CRITERIA	SCOPE
<p>You must show you can:</p> <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 <b>options</b> which are allowed based on the member's record, the <b>scheme</b> rules and legislation</li> <li>3. Apply <b>scheme</b> definitions accurately</li> <li>4. Apply all relevant legislation correctly according to the reason for death and the dates of joining and leaving the scheme</li> <li>5. Set out the <b>calculations*</b> for each <b>option</b> according to accepted procedures</li> <li>6. Carry out the <b>calculations*</b> manually for each <b>option</b> without arithmetical errors</li> <li>7. Show when lump sum benefits are <b>payable</b> at the Trustees' discretion or to the deceased member's Estate</li> <li>8. Calculate and provide information relating to HM Revenue &amp; Customs Regulations, as appropriate</li> <li>9. <b>Write a letter</b> to the beneficiary, sponsor or Trustee and quote benefits which match your <b>calculations*</b></li> <li>10. Show the benefit options in an approved format and in accordance with accepted procedure</li> <li>11. Provide complete and accurate information to accompany the quotation and requested payment details</li> <li>12. Give instructions to the addressee on the response you require</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Identify and apply <b>scheme</b> rules and definitions for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Final salary</li> <li>(ii) Career average revalued earnings (CARE)</li> <li>(iii) Money purchase</li> <li>(iv) Not contracted-out of SERPS/S2P</li> <li>(v) Contracted-out of SERPS/S2P</li> </ol> </li> <li>(B) Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following death benefits: <ol style="list-style-type: none"> <li>(i) Refund of contributions</li> <li>(ii) Lump sum (Life assurance/5 year guarantee)</li> <li>(iii) Spouse's pension</li> </ol> </li> <li>(C) Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following death benefit categories: <ol style="list-style-type: none"> <li>(i) Death in service</li> <li>(ii) Death in deferment</li> <li>(iii) Death in retirement</li> </ol> </li> <li>(D) Identify when lump sum death benefits are <b>payable</b>: <ol style="list-style-type: none"> <li>(i) At the Trustees' discretion</li> <li>(ii) To the deceased member's Estate/Legal Personal Representative(s)</li> </ol> </li> <li>(E) Determine the <b>options</b> open to members taking into account <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) The member's record</li> <li>(ii) Scheme rules</li> <li>(iii) Relevant legislation</li> </ol> </li> <li>(F) Use the <b>calculations*</b> from <u>one</u> of the case studies completed to <b>write a letter</b> to the beneficiary, sponsor or Trustee.</li> </ol>

**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

## **UNIT 11: CALCULATE AND QUOTE PENSION SCHEME LEAVERS BENEFITS FOR MEMBERS WITHOUT SPECIAL CIRCUMSTANCES**

### **Aim**

### **Learning Outcomes**

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

- The scheme rules for each of the schemes used in the case study examinations covering the payment of leavers' benefits
- Revaluation requirements for the schemes
- The effects of overriding legislation on the benefits and options payable including the requirements of the HM Revenue & Customs and the Department for Work and Pensions
- How to apply statutory increases on deferred pensions for the period between date of exit and normal retirement date
- The Disclosure requirements
- The distinction between giving financial information and financial advice (in accordance with the latest Financial Services and Market Act)

PERFORMANCE CRITERIA	SCOPE
<p>You must be able to:</p> <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 <b>options</b> which are allowed based on the member's record, the <b>scheme</b> rules and legislation</li> <li>3. Apply <b>scheme</b> definitions accurately</li> <li>4. Apply all relevant legislation correctly according to the dates of joining and leaving the <b>scheme</b></li> <li>5. Set out <b>calculations*</b> for each <b>option</b> according to accepted procedures</li> <li>6. Carry out <b>calculations*</b> manually for each <b>option</b> without arithmetical errors</li> <li>7. Calculate and provide information relating to HM Revenue &amp; Customs Regulations as appropriate</li> <li>8. <b>Write a letter</b> to the member, sponsor or Trustee and quote benefits which match your <b>calculations*</b></li> <li>9. Show the benefit <b>options</b> in an approved format and in accordance with accepted procedure</li> <li>10. Provide complete and accurate information to accompany the quotation</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Identify and apply <b>scheme</b> rules and definitions for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Final salary</li> <li>(ii) Career average revalued earnings (CARE)</li> <li>(iii) Money purchase</li> <li>(iv) Not contracted-out of SERPS/S2P</li> <li>(v) Contracted-out of SERPS/S2P</li> </ol> </li> <li>(B) Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Members leaving employment</li> <li>(ii) Members opting out of the scheme</li> </ol> </li> <li>(C) Determine the <b>options</b> open to members taking into account <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) The member's record</li> <li>(ii) Scheme rules</li> <li>(iii) Relevant legislation</li> </ol> </li> <li>(D) Use the <b>calculations*</b> from <u>one</u> of the case studies completed to <b>write a letter</b> to the member, sponsor or Trustee</li> </ol>

## EXPLANATION

\*Calculations could include recalculating benefits to ensure minimum contracting-out requirements are met.



## **UNIT 12: CALCULATE AND QUOTE PENSION SCHEME RETIREMENT BENEFITS FOR MEMBERS WITHOUT SPECIAL CIRCUMSTANCES**

### **Aim**

### **Learning Outcomes**

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

- The scheme rules for each of the schemes used in the case study examinations covering the payment of retirement benefits
- How to apply actuarial factors
- How to apply annuity rates
- The effects of overriding legislation on the benefits and options including the requirements of the HM Revenue & Customs and the Department for Work and Pensions
- Treatment of Guaranteed Minimum Pension/Protected Rights and conditions for payment
- How to apply statutory increases on deferred pensions for the period between date of exit and date of retirement
- How to apply statutory increases on pensions in payment
- The Disclosure requirements
- Trustees' requirement for the discharge of benefits
- The distinction between giving financial information and financial advice (in accordance with the latest Financial Services and Markets Act)
- What information and documentation is required before the scheme can settle the benefits

PERFORMANCE CRITERIA	SCOPE
<p>You must show you can:</p> <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 <b>options</b> which are allowed based on the member's record, the <b>scheme</b> rules and legislation</li> <li>3. Apply <b>scheme</b> 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> <li>5. Set out the <b>calculations*</b> for each <b>option</b> accordingly to accepted procedures</li> <li>6. Carry out the <b>calculations*</b> manually for each <b>option</b> without arithmetical errors</li> <li>7. Recalculate benefits to meet minimum contracting-out requirements (if necessary)</li> <li>8. Calculate and provide information relating to HM Revenue &amp; Customs Regulations, as appropriate</li> <li>9. <b>Write a letter</b> to the member, sponsor or Trustee and quote benefits which match your <b>calculations*</b></li> <li>10. Show the benefit options in an approved format and in accordance with accepted procedure</li> <li>11. Provide complete and accurate information to accompany the quotation and requested payment details</li> <li>12. Give instructions to the addressee on the response you require</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>A. Identify and apply <b>scheme</b> rules and definitions for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Final salary</li> <li>(ii) Career average revalued earnings (CARE)</li> <li>(iii) Money purchase</li> <li>(iv) Not contracted-out of SERPS/S2P</li> <li>(v) Contracted-out of SERPS/S2P</li> </ol> </li> <li>B. Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following retirement benefit options: <ol style="list-style-type: none"> <li>(i) Full pension</li> <li>(ii) Cash sum with reduced pension</li> <li>(iii) Dependant's pension</li> </ol> </li> <li>C. Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following retirement benefit categories (from active and non-active status) <ol style="list-style-type: none"> <li>(i) Normal</li> <li>(ii) Early</li> <li>(iii) Late</li> <li>(iv) Ill health</li> </ol> </li> <li>D. Determine the <b>options</b> open to members taking into account <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) The member's record</li> <li>(ii) Scheme rules</li> <li>(iii) Relevant legislation</li> </ol> </li> <li>E. Use the <b>calculations*</b> from <u>one</u> of the case studies completed to <b>write a letter</b> to the member, sponsor or Trustee</li> </ol>

## 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

## **UNIT 13:        CALCULATE AND QUOTE PENSION SCHEME DEATH BENEFITS FOR MEMBERS WITH SPECIAL CIRCUMSTANCES**

### **Aim**

### **Learning Outcomes**

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

- The scheme rules for each of the schemes used in the case study examinations covering the payment of death benefits
- How to apply actuarial factors
- How to apply annuity rates
- The effects of overriding legislation on the benefits and options payable including the requirements of the HM Revenue & Customs and the Department for Work and Pensions
- How the benefit is made up: refund of contributions, lump sum (life assurance/5 year guarantee) and spouse's pension (including child pensions)
- How to apply statutory increases on deferred pensions for the period between date of exit and date of death
- How to apply statutory increases on pensions in payment
- The Disclosure requirements
- The distinction between giving financial information and financial advice (in accordance with the latest Financial Services and Markets Act)
- The distinction between paying lump sum benefits at the Trustees' discretion or to the deceased member's Estate or Legal Personal Representative(s)
- What information and documentation is required before the scheme can settle the benefits

PERFORMANCE CRITERIA	SCOPE
<p>You must show you can:</p> <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 <b>options</b> which are allowed based on the member's record, the <b>scheme</b> rules and legislation</li> <li>3. Apply <b>scheme</b> definitions accurately</li> <li>4. Take into account any <b>supplementary and discretionary benefits</b></li> <li>5. Apply all relevant legislation correctly according to the reason for death and the dates of joining and leaving the scheme</li> <li>6. Set out the <b>calculations*</b> for each <b>option</b> according to accepted procedures</li> <li>7. Carry out the <b>calculations*</b> manually for each <b>option</b> without arithmetical errors</li> <li>8. Show when lump sum benefits are <b>payable</b> at the Trustees' discretion or to the deceased member's Estate</li> <li>9. Calculate and provide information relating to HM Revenue &amp; Customs Regulations, as appropriate</li> <li>10. <b>Write a letter</b> to the beneficiary, sponsor or Trustee and quote benefits which match your <b>calculations*</b></li> <li>11. Show the benefit options in an approved format and in accordance with accepted procedure</li> <li>12. Provide complete and accurate information to accompany the quotation and requested payment details</li> <li>13. Give instructions to the addressee on the response you require</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Identify and apply <b>scheme</b> rules and definitions for <u>all</u> of the following:             <ol style="list-style-type: none"> <li>(i) Final salary</li> <li>(ii) Career average revalued earnings (CARE)</li> <li>(iii) Money purchase</li> <li>(iv) Not contracted-out of SERPS/S2P</li> <li>(v) Contracted-out of SERPS/S2P</li> </ol> </li> <li>(B) Take into account <u>all</u> of the following <b>supplementary and discretionary benefits</b>:             <ol style="list-style-type: none"> <li>(i) Split accruals and breaks in service (including part time service)</li> <li>(ii) Transfers-in</li> <li>(iii) Retained benefits</li> <li>(iv) Additional voluntary contributions</li> <li>(v) Augmentations</li> </ol> </li> <li>(C) Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following death benefits:             <ol style="list-style-type: none"> <li>(i) Refund of contributions</li> <li>(ii) Lump sum (life assurance/5 year guarantee)</li> <li>(iii) Spouse's pension</li> </ol> </li> <li>(D) Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following death benefit categories:             <ol style="list-style-type: none"> <li>(i) Death in service</li> <li>(ii) Death in deferment</li> <li>(iii) Death in retirement</li> </ol> </li> <li>(E) Identify when lump sum benefits are <b>payable</b>:             <ol style="list-style-type: none"> <li>(i) At the Trustees' discretion</li> <li>(ii) To the deceased member's Estate/Legal Personal Representative(s)</li> </ol> </li> <li>(F) Determine the <b>options</b> open to members taking into account <u>all</u> of the following:             <ol style="list-style-type: none"> <li>(i) The member's record</li> <li>(ii) Scheme rules</li> <li>(iii) Relevant legislation</li> </ol> </li> </ol>

	(G) Use the <b>calculations*</b> from <u>one</u> of the case studies completed to <b>write a letter</b> to the beneficiary, sponsor or Trustee
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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

## UNIT 14: CALCULATE AND QUOTE PENSION SCHEME LEAVERS BENEFITS FOR MEMBERS WITH SPECIAL CIRCUMSTANCES

### Aim

### Learning Outcomes

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

- The scheme rules for each of the schemes used in the case study examinations covering the payment of leavers' benefits
- Revaluation requirements for the schemes
- The effects of overriding legislation on the benefits and options payable including the requirements of the HM Revenue & Customs and the Department for Work and Pensions
- How to apply statutory increases on deferred pensions for the period between date of exit and normal retirement date
- The Disclosure requirements
- The distinction between giving financial information and financial advice (in accordance with the latest Financial Services and Market Act)

PERFORMANCE CRITERIA	SCOPE
<p>You must be able to:</p> <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 <b>options</b> which are allowed based on the member's record, the <b>scheme</b> rules and legislation</li> <li>3. Apply <b>scheme</b> definitions accurately</li> <li>4. Take into account any <b>supplementary and discretionary benefits</b></li> <li>5. Apply all relevant legislation correctly according to the dates of joining and leaving the <b>scheme</b></li> <li>6. Set out <b>calculations*</b> for each <b>option</b> according to accepted procedures</li> <li>7. Carry out <b>calculations*</b> manually for each <b>option</b> without arithmetical errors</li> <li>8. Calculate and provide information relating to HM Revenue &amp; Customs Regulations as appropriate</li> <li>9. <b>Write a letter</b> to the member, sponsor or Trustee and quote benefits which match your <b>calculations*</b></li> <li>10. Identify <b>supplementary and discretionary benefits</b></li> <li>11. Show the benefit <b>options</b> in an approved format and in accordance with accepted procedure</li> <li>12. Provide complete and accurate information to accompany the quotation</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Identify and apply <b>scheme</b> rules and definitions for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Final salary</li> <li>(ii) Career average revalued earnings (CARE)</li> <li>(iii) Money purchase</li> <li>(iv) Not contracted-out of SERPS/S2P</li> <li>(v) Contracted-out of SERPS/S2P</li> </ol> </li> <li>(B) Take into account <u>all</u> of the following <b>supplementary and discretionary benefits</b>: <ol style="list-style-type: none"> <li>(i) Split accruals and breaks in service (including part time service)</li> <li>(ii) Transfers-in</li> <li>(iii) Retained benefits</li> <li>(iv) Additional voluntary contributions</li> <li>(v) Augmentations</li> </ol> </li> <li>(C) Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Members leaving employment</li> <li>(ii) Members opting out of the scheme</li> </ol> </li> <li>(D) Determine the <b>options</b> open to members taking into account <u>all</u> of the following: <ol style="list-style-type: none"> <li>(iv) The member's record</li> <li>(i) Scheme rules</li> <li>(ii) Relevant legislation</li> </ol> </li> <li>(E) Use the <b>calculations</b> from <u>one</u> of the case studies completed to <b>write a letter</b> to the member, sponsor or Trustee</li> </ol>

## EXPLANATION

\*Calculations could include recalculating benefits to ensure minimum contracting-out requirements are met.

## **UNIT 15:        CALCULATE AND QUOTE PENSION SCHEME RETIREMENT BENEFITS FOR MEMBERS WITH SPECIAL CIRCUMSTANCES**

### **Aim**

### **Learning Outcomes**

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

- The scheme rules for each of the schemes used in the case study examinations covering the payment of retirement benefits
- How to apply actuarial factors
- How to apply annuity rates
- The effects of overriding legislation on the benefits and options including the requirements of the HM Revenue & Customs and the Department for Work and Pensions
- Treatment of Guaranteed Minimum Pension/Protected Rights and conditions for payment
- How to apply statutory increases on deferred pensions for the period between date of exit and date of retirement
- How to apply statutory increases on pensions in payment
- The Disclosure requirements
- Trustees' requirement for the discharge of benefits
- The distinction between giving financial information and financial advice (in accordance with the latest Financial Services and Markets Act)
- What information and documentation is required before the scheme can settle the benefits

PERFORMANCE CRITERIA	SCOPE
<p>You must show you can:</p> <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 <b>options</b> which are allowed based on the member's record, the <b>scheme</b> rules and legislation</li> <li>3. Apply <b>scheme</b> definitions accurately</li> <li>4. Take into account any <b>supplementary and discretionary benefits</b></li> <li>5. Apply all relevant legislation correctly according to the reason for retirement and the dates of joining and leaving the scheme</li> <li>6. Set out the <b>calculations*</b> for each <b>option</b> accordingly to accepted procedures</li> <li>7. Carry out the <b>calculations*</b> manually for each <b>option</b> without arithmetical errors</li> <li>8. Recalculate benefits to meet minimum contracting-out requirements (if necessary)</li> <li>9. Calculate and provide information relating to HM Revenue &amp; Customs Regulations, as appropriate</li> <li>10. <b>Write a letter</b> to the member, sponsor or Trustee and quote benefits which match your <b>calculations*</b></li> <li>11. Show the benefit options in an approved format and in accordance with accepted procedure</li> <li>12. Provide complete and accurate information to accompany the quotation and requested payment details</li> <li>13. Give instructions to the addressee on the response you require</li> </ol>	<p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Identify and apply <b>scheme</b> rules and definitions for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Final salary</li> <li>(ii) Career average revalued earnings (CARE)</li> <li>(iii) Money purchase</li> <li>(iv) Not contracted-out of SERPS/S2P</li> <li>(v) Contracted-out of SERPS/S2P</li> </ol> </li> <li>(B) Take into account <u>all</u> of the following <b>supplementary and discretionary benefits</b>: <ol style="list-style-type: none"> <li>(i) Split accruals and breaks in service (including part time service)</li> <li>(ii) Transfers-in</li> <li>(iii) Retained benefits</li> <li>(iv) Additional voluntary contributions</li> <li>(v) Augmentations</li> </ol> </li> <li>(C) Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following retirement benefit options (from active and non-active status) <ol style="list-style-type: none"> <li>(i) Full pension</li> <li>(ii) Cash sum with reduced pension</li> <li>(iii) Dependant's pension</li> </ol> </li> <li>(D) Set out and provide fully worked manual <b>calculations*</b> for <u>all</u> of the following retirement benefit categories (from active and non-active status) <ol style="list-style-type: none"> <li>(i) Normal</li> <li>(ii) Early</li> <li>(iii) Late</li> <li>(iv) Ill health</li> </ol> </li> <li>(E) Determine the <b>options</b> open to members taking into account <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) The member's record</li> <li>(ii) Scheme rules</li> <li>(iii) Relevant legislation</li> </ol> </li> <li>(F) Use the <b>calculations*</b> from <u>one</u> of the case studies completed to <b>write a letter</b> to the member, sponsor or Trustee</li> </ol>



## **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

## **UNIT 16: CALCULATE AND QUOTE PENSION SCHEME TRANSFERS IN AND TRANSFERS OUT**

### **Aim**

### **Learning Outcomes**

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

- The scheme rules for each of the schemes used in the case study examinations relating to the calculation of transfer values out and the benefits provided by transfer values in
- How to apply actuarial factors
- The effects of overriding legislation on the benefits and options available in exchange for a transfer value
- The Disclosure requirements
- The distinction between giving financial information and financial advice (in accordance with the latest Financial Services and Market Act)
- What information and documentation is required before the scheme can settle the benefits
- The requirements of legislation on time scales and the guarantee period for the quotation

PERFORMANCE CRITERIA	SCOPE
<p>You must be able to:</p> <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 <b>options</b> which are allowed based on the member's record, the <b>scheme</b> rules and legislation</li> <li>3. Apply <b>scheme</b> definitions accurately</li> <li>4. Apply all relevant legislation correctly according to the dates of joining and leaving the <b>scheme</b></li> <li>5. Set out the <b>calculations</b> for each <b>option</b> according to accepted procedures</li> <li>6. Carry out the <b>calculations</b> manually without arithmetical errors</li> <li>7. Write a letter to the member, sponsor or Trustee and quote benefits which match your <b>calculations</b></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>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Identify and apply <b>scheme</b> rules and definitions for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) Final salary</li> <li>(ii) Career average revalued earnings (CARE)</li> <li>(iii) Money purchase</li> <li>(iv) Not contracted-out of SERPS/S2P</li> <li>(v) Contracted-out of SERPS/S2P</li> </ol> </li> <li>(B) Set out and provide fully worked manual <b>calculations</b> for <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) The transfer value of benefits accrued while a member of an occupational pension scheme</li> <li>(ii) The additional benefits secured in a member's current scheme by the transfer value from a previous pension arrangement</li> </ol> </li> <li>(C) Determine the <b>options</b> open to members taking into account <u>all</u> of the following: <ol style="list-style-type: none"> <li>(i) The member's record</li> <li>(ii) Scheme rules</li> <li>(iii) Relevant legislation</li> </ol> </li> <li>(D) Use the calculations from <u>one</u> of the case studies completed to <b>write a letter</b> to the member, sponsor or Trustee quoting benefits purchased in respect of a transfer-in from a previous Scheme</li> <li>(E) Use the calculations from <u>one</u> of the case studies completed to <b>write a letter</b> to the member, sponsor or Trustee quoting the transfer value available to a new Scheme</li> </ol>

## APPENDIX 1

### Transitional Arrangements for the Diploma in Pensions Administration

The revised units outline in this document can be undertaken from 1 April 2017. The completion criteria from 1 April 2017 have also been defined elsewhere.

As a number of units have been amended and some withdrawn a transition period is in place to recognise credits held by those have begun but not yet completed the qualification. The transition period will expire at the end of December 2017.

#### Mandatory Units

Candidates who have not already met the mandatory unit requirement prior to 1 April 2017 must complete the new mandatory unit (unless they intend to complete the pre 1 April 2017 mandatory units prior to 31 December 2017):

Applying overriding regulatory requirements
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#### New Units

One new unit has been created:

Project Management
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#### Units where the content has been updated

The following three units as updated remain appropriate:

Administering a Scheme through a Pension Protection Fund Assessment Period
Process Pension Increases to Pensions in Payment
Implementation of a Pension Sharing Order

Candidates who have completed these units prior to 1 April 2017 can claim credit for them.

#### Four units also have amended titles.

<b>Pre 1 April 2017 Version</b>	<b>1 April 2017 onwards</b>
Personal Development and Colleague Support for Administrators of Pension Schemes	Mentoring and Training Colleagues within Pensions Administration
Identify and Recommend a Potential Improvement to Pension Administration Processes (Mandatory/30)	Identify and Recommend a New Pensions Administration Process or an Improvement to an Existing One
Dealing with Pension Scheme Complaints, Errors and Omissions (Mandatory/30)	Dealing with Pension Scheme Complaints, Disputes, Errors or Omissions
Implement an Essential Change to Pension Administration Processes (Mandatory/30)	Implement a Change to a Pension Administration Process

Candidates who have completed these units prior to 1 April 2017 can claim credit for them.

### Examined Units

These seven units have not been amended as part of the review.

Calculate and quote DB & DC pension scheme leavers benefits for members without special circumstances
Calculate and quote DB & DC pension scheme retirement benefits for members without special circumstances
Calculate and quote DB & DC pension scheme death benefits for members without special circumstances
Calculate and quote DB & DC pension scheme leavers benefits for members with special circumstances
Calculate and quote DB & DC pension scheme retirement benefits for members with special circumstances
Calculate and quote DB & DC pension scheme death benefits for members with special circumstances
Calculate and quote DB & DC pension scheme transfers in and transfers out

### Units that have been withdrawn

With effect from 1 April 2017 the following thirteen units are withdrawn from the qualification.

Unit credits already achieved (or completed by 31 December 2017) may (subject to the previous restriction on number of credits for customer service units) count towards the 10 units required to achieve the Diploma in Pensions Administration.

Research and Report on an Aspect of Pensions
Administering a Pension Scheme with Consideration for Governance Issues
<b>Customer Service Units</b>
Follow organisational rules, legislation and external regulations when managing customer service
Organise the delivery of reliable customer service
Plan, organise and control customer service operations
Review the quality of customer service
Resolve customer service problems
Process customer service complaints
Handle referred customer complaints
Work with others to improve customer service
Promote continuous improvement
Implement quality improvements to customer service