

RETIREMENT PROVISION CERTIFICATE (RPC)

2019 Syllabus

The syllabus areas are grouped under five main headings or learning outcomes. The syllabus is presented in a form which is intended to give the reader an indication of the depth and breadth of knowledge required. It is divided into sections with an initial statement indicating what is expected of candidates and some notes in italics which give an indication of the way in which the initial statement should be interpreted. The initial statement uses 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:

demonstrate - explain or prove by reasoning/example

distinguish - mark the difference between

evaluate – determine the value

identify - demonstrate what something is

outline - brief general explanation; summary without detail

understand - comprehend; have a thorough knowledge of

The syllabus and the examinations in 2019 are based on the law and practice of the United Kingdom as it existed on 6 April 2018 unless stated otherwise.

Aims

To provide:

- an understanding of the nature and context of retirement provision in the UK.
- a foundation for those who plan to develop a career specialising in one aspect of retirement provision or for those seeking a broad understanding of the subject.

The candidate must be able to:

1. **understand** retirement provision

1.1 **outline** the origins and overview of retirement provision

*individual
workplace
State*

1.2 **outline** the parties involved in retirement provision

*organisations
professions
government departments
regulatory bodies
individuals
employers
interaction between pensions, payroll and HR*

1.3 **outline** the concept of the employment package

*remuneration and the employment package
flexible employment benefits*

1.4 demonstrate an awareness of the drivers for change in the development of retirement provision (including long term care)

trends
cessation of contracting out
de risking
flexibly accessing pension benefits
forthcoming legislation

2. understand the role of Government in retirement provision

2.1 identify the role of Government

automatic enrolment
taxation/incentives
HMRC allowances

2.2 outline State retirement benefits and **demonstrate** an awareness of other State benefits

State retirement benefits
other State benefits

2.3 outline the regulation of retirement provision

individual
workplace

3 understand the role of workplace pension schemes in retirement provision

3.1 outline the design of workplace pension schemes

types of workplace pension
enrolment
retirement benefits
trivial commutation
leaving benefits
ill health benefits
death benefits
contracting out

3.2 outline the financing of workplace pension schemes

defined benefit (including final salary and CARE)
defined contribution
cash balance
hybrid
defined ambition/risk sharing
pay as you go

3.3 outline the concept of trusteeship

concept of a trust
importance of governance
governing documents
role and responsibilities of trustees
role and responsibility of the secretary to trustees
master trusts

3.4. evaluate the importance of administration and communications

*record keeping and standards
compliance
communication requirements of different stakeholders*

4. understand the role of individual provision

4.1. outline the different types of individual pension contracts

*personal
securing benefits
additional voluntary contributions*

4.2. evaluate the options for personal savings

*personal investments
alternative investments
insurances*

5. understand the role and nature of investment in retirement provision

5.1. outline the considerations when investing for retirement provision

*life expectancy
income needs in retirement
expected retirement age
size of existing funds and future contributions
investment funds available including life style and default and the need to review these on a regular basis.
attitude to risk*

5.2. outline the different investment classes

*equities
bonds
property
cash
currency and currency hedging
derivatives
private equity
commodities
absolute return funds
target date funds
diversified growth funds
infrastructure
insurance policies
pooled investment vehicles
ethical and socially responsible investment
buy outs/ins, with profits, annuities*

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