

Pension planning

Learning Outcomes

At the end of this unit, candidates will be able to:

Evaluate the needs of complex clients and recommend appropriate solutions based upon detailed understanding and analysis of the:

1. **HM Revenue & Customs tax regime for pensions;**
2. **Legal framework of pensions;**
3. **Features and risks of defined contributions and defined benefit pension schemes;**
4. **State retirement benefits;**
5. **Choices facing early leavers, transfer value analysis and transfer advice;**
6. **Various options for drawing income – their features, tax treatment and risks;**
7. **Different needs and solutions available to personal and corporate clients.**

Entry guidance

It is assumed that the candidate already has the knowledge gained from a study of units Ro4 Pensions and retirement planning, Jo5 Pension income options or equivalent. This unit is deemed appropriate for undertaking the activity of a pension transfer specialist by the FCA.

Important notes

- **This syllabus will be examined in the October 2015 and April 2016 sessions.**
- **Candidates will be examined on the basis of English law and practice in the tax year 2015/2016 unless otherwise stated.**
- **The general rule is that exams are based on the English legislative position three months before the date of the exams.**
- **Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:**
 1. Visit www.cii.co.uk/qualifications
 2. Select the appropriate qualification
 3. Select your unit on the right hand side of the page

Reading list

The following list provides details of various publications which may assist you with your studies.

Note: The examination will test the syllabus alone.

The reading list is provided for guidance only and is not in itself the subject of the examination.

The publications will help you keep up-to-date with developments and will provide a wider coverage of syllabus topics.

CII/PFS members can borrow most of the additional study materials below from Knowledge Services. CII study texts can be consulted from within the library.

New materials are added frequently - for information about new releases and lending service, please go to www.cii.co.uk/knowledge or email knowledge@cii.co.uk.

CII study texts

Pensions and retirement planning. London: CII. Study text Ro4.

Pension income options. London: CII. Study text Jo5.

Pension planning. London: CII. Case study workbook AF3.

All the above texts are included as electronic resources within AF3 RevisionMate (www.revisionmate.com).

Books

Pension choices: a tax guide 2014-15. Robert Gaines. 2nd. edition. Chester: Claritax, 2014.

Pensions law handbook. 12th ed. Pensions Department of Nabarro Nathanson. Tottel, 2015.

Factfiles

CII factfiles are concise, easy to digest but technically dense resources designed to enrich the knowledge of members. Covering general insurance, life and pensions and financial services sectors, the factfile collection includes key industry topics as well as less familiar or specialist areas with information drawn together in a way not readily available elsewhere. Available online via www.cii.co.uk/ciifactfiles (CII/PFS members only).

State retirement pensions. Roger Self, Claire Thomson.

Stakeholder pension schemes. Roger Self, Claire Thomson.

Further articles and technical bulletins are available at www.cii.co.uk/knowledge (CII/PFS members only).

Journals and magazines

Financial adviser. London: FT Business. Weekly. Also available online at www.ftadviser.com.

Financial solutions. London: CII. Six issues a year. Also available at www.thepfs.org/knowledge (CII/PFS members only).

Money management. London: FT Business. Monthly. Also available via www.ftadviser.com.

Money marketing. London: Centaur Communications. Weekly. Also available online at www.moneymarketing.co.uk.

Pensions age. London: Perspective. Monthly. Also available at www.pensionsage.com.

Pensions expert. London: FT Finance. Weekly.

Professional pensions. London: Incisive Media. Weekly. Also available at www.professionalpensions.com.

Further articles and technical bulletins are available at www.cii.co.uk/knowledge (CII/PFS members only).

Reference materials

Lamont's glossary: the definitive plain English money and investment dictionary. Barclay W Lamont. 10th ed. London: Taxbriefs, 2009. Also available online via www.cii.co.uk/lamont (CII/PFS members only).

CCH Pensions Factbook. Kingston upon Thames: CCH. Looseleaf, updated.

Butterworths pensions legislation service. London: LexisNexis UK. Looseleaf, updated.

Pensions: law and practice with precedents. London: Sweet & Maxwell. Looseleaf, updated.

The professional adviser's factfile. Taxbriefs. London: Taxbriefs. Looseleaf, updated.

Sweet & Maxwell's law of pension schemes. Nigel Inglis Jones. London: Sweet & Maxwell. Looseleaf, updated.

Tolley's guide to pensions taxation terminology. Alec Ure. 4th edition. London: LexisNexis Tolley, 2014.

Tolley's guide to qualifying recognised overseas pension schemes. 4th edition. Alec Ure. London, LexisNexis Tolley, 2014.

Tolley's guide to disclosure of tax avoidance schemes and pension schemes. Alex Ure. London, LexisNexis Tolley, 2010.

Pensions pocket book. London: Economic and Financial Publishing Ltd in association with Aon Hewitt. Annual.

Examination guides

Guides are produced for each sitting of written answer examinations. These include the exam questions, examiners' comments on candidates' performance and key points for inclusion in answers.

You are strongly advised to study guides from the last two sittings. Please visit www.cii.co.uk to buy online or contact CII Customer Service for further information on +44 (0)20 8989 8464.

Alternatively, if you have a current study text enrolment, the latest exam guides are available via www.revisionmate.com.

Older guides are available (members only) via www.cii.co.uk/knowledge.

Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.

The Insurance Institute of London holds a lecture on revision techniques for CII exams approximately three times a year. The slides from their most recent lectures can be found at www.cii.co.uk/knowledge/iilrevision (CII/PFS members only).