

Pensions (Mandatory)

This unit focusses on the specialist knowledge, understanding and application in practice required to provide pensions advice to clients who are separating or divorcing.

Competency Code	Knowledge and Understanding Candidates must know and understand:
FAPC1	Must have knowledge and understanding of the Resolution Code of Practice and of other relevant protocols (e.g. The Law Society Family Law Protocol, CII Protocol).
FAPC2	The role and moral and ethical obligations of a financial neutral/single joint expert In any process of separation, divorce, or dissolution with particular regard to the requirements of the FCA.
FAPC3	Identify the nuances of all types of Public Sector pension schemes
FAPC4	Pension and Divorce legislation including any new relevant case law or precedent.
FAPC5	State pension scheme rules and including the effect on divorce.
FAPC6	Impact of Pension Sharing Orders against The Pension Protection Fund or Financial Assistance Scheme.
FAPC7	The consideration of Earmarking/Attachment Orders and how they can be used effectively within a settlement
FAPC8	Outline the pros and cons of Offsetting the pension CEV against other assets, e.g family home or, investment portfolio. Explain the 'utility argument'.
FAPC9	Scheme retirement ages, the age at which benefits can be taken for both scheme and pension credit members.
FAPC10	Equalising pension incomes in retirement.
FAPC11	Overseas Divorce and pensions jurisdictional issues. QROPS and Overseas Pensions.
FAPC12	Additional Voluntary Contributions under WRPA 1999- How might they be treated within a settlement?
FAPC13	Relevant legislation, e.g. anti-money laundering, access to medical records, data protection, age discrimination, disclosure, cancellation notices with particular reference to separation/divorce.

FAPC14	Impact of Pension Sharing Orders on the Lifetime Allowance
FAPC15	The impact and timing of Pension Protection Regimes upon settlement proposals.
FAPC16	The role of traditional annuities and their pros and cons in negotiating settlement proposals.
FAPC17	The impact of post April 2016 'Pension Freedoms' upon settlement proposals.
FAPC18	Points to include (or not) when composing a letter of instruction to a PODE
FAPC19	The pros and cons of PODE reports and why they are important within a settlement.
FAPC20	Outline the full list of pros and cons of pension Offsetting v Attachment v Pension Sharing Orders

Competency Code	Performance Candidates must be able to:
FAPC21	Must demonstrate appropriate application of the Resolution Code of Practice and any other relevant practice protocols in all cases.
FAPC22	The role and moral and ethical obligations of a financial neutral/single joint expert in any process of separation, divorce, or dissolution with particular regard to the requirements of the FCA.
FAPC23	Explain the role of the financial advisor and associated professionals, for example, family solicitor, pensions expert/valuer, actuary, scheme trustee/administrator.
FAPC24	Identify and explain to client all family dispute resolution processes and court process or procedure with particular focus on client's known needs and circumstances.
FAPC25	Identify and explain scheme rules in relation to each client situation, including scheme retirement ages, valuation methods, income flexibility, death benefits and so on.
FAPC26	Identify appropriate means of obtaining the relevant CEV, and outline the client eligibility to receive information from scheme trustees/administrators.
FAPC27	Identify, describe and assess equalising pension incomes in retirement, tying in periodical payments, etc.
FAPC28	Identify, analyse and describe any statutory instruments and other legislation

	of relevance to the client's situation.
FAPC29	Identify, explain and signpost client to relevant and appropriate other services of help and support, for example debt counselling services, pensions advisory service, etc.
FAPC30	Identify and explain the difference in assessing & distributing crystallised and uncrystallised pensions within the divorce process.
FAPC31	Identify and explain the benefits (or not) of using Offsetting, Attachment Orders or Pension Sharing Orders, including - for instance - age dependency, statutory time limits, when not applicable and so on.
FAPC32	Identify and explain any financial 'balancing factors' in relation to, for example, future family finances, affordability, family dependants (especially any children of the family).
FAPC33	Identify, describe and explain the state pension scheme. And how they are treated for each client scenario.
FAPC34	Demonstrate how offsetting pension CEV against other assets could be effectively used
FAPC35	Identify any potential conflict between WRPA 1999 and post April 2016 'Pension Freedoms', as it might relate to Additional Voluntary Contributions.
FAPC36	Identify and explain other relevant legislation including anti-money laundering, access to medical records, age discrimination, and so forth, relevant to the client's situation and with particular reference to divorce.
FAPC37	Identify and explain the implications of Attachment/or Pension Sharing Orders against the Lifetime Allowance
FAPC38	Explain the implications of post April 2016 'Pension Freedoms', demonstrating how they may or may not benefit potential proposals.
FAPC39	Demonstrate how the use of traditional annuity rates may play a role in your work, and that of other professionals.
FAPC40	Identify and demonstrate the impact that Guaranteed Annuity Rates, client health and Market Value Adjustments may have on the eventual settlement.