

**Reward and Retirement Provision**

**Monday 5th October 2020 14.00pm-17.00pm**

Centre Name

There is element to the question paper.

This contains several short answer questions. Attempt **ALL** questions in the green answer booklet **in pen**.

The total marks for this paper are 100.

THIS EXAMINATION PAPER REMAINS THE PROPERTY OF THE PENSIONS MANAGEMENT INSTITUTE AND MUST BE HANDED TO THE INVIGILATOR AT THE END OF THE EXAMINATION.

Three hours are allowed for this paper. Answer all parts of all questions. In a multi-part question when the marks are not equally divided a guide to the available marks for each part is shown. A small number of marks may be awarded for appropriate and relevant communication and formatting.

The total marks for this examination are 100.

Please make sure that you answer these questions in the green answer booklet in pen.

1. As Global Total Rewards Director, you are asked to prepare a report for the Executive Board which outlines the factors that are relevant in developing and managing an employee benefit strategy. Your report should cover:
* Market position;
* Employee demographics and segments;
* Global and group structure and culture;
* Management style;
* Cost management;
* Compliance and risk.

 (35 marks)

1. Prepare briefing notes for a presentation to the HR Manager for an employer sponsored insured Critical Illness Scheme. Your notes should cover:
* An overview of the benefit;
* Typical design features;
* Taxation regime (including any recent changes in taxation treatment).

(20 marks)

1. Following your recent appointment as HR Manager, you have reviewed your company’s existing staff manual and found a number of sections that are out of date. Prepare a paper for the Managing Director that outlines:
* The legislative requirements and current market practices in relation to holiday entitlement;
* the reasons why the company may wish to consider the introduction of career breaks and sabbaticals and,
* the eligibility, circumstances and conditions under which employees may be considered for career breaks and sabbaticals.

(20 marks)

1. Under the 2004 Finance Act certain limits were introduced concerning both the annual amount of contributions which can be paid into a registered pension scheme and also the total amount which can be accumulated under such schemes. The limits have incurred a number of changes since they were first introduced.

Prepare a summary of the various changes starting from 6 April 2011 up to and including the changes made from 6 April 2016. Your summary should also include a brief definition of the terms ‘Adjusted Income’ and ‘Threshold Income’.

 (15 marks)

1. Prepare a list of the policy exclusions typically found under a typical Private Medical Insurance scheme. (10 marks)

**Total for paper – 100 marks**