**Professionalism and Governance**

**Governance Assignment 1**

(Part 1– Pensions Risk Management)

(Recommended Time: 2 hours)

1. Case Study:

You are the Chair of the Trustee Board for a hybrid scheme which has a closed defined benefits section and an open defined contribution section.

A member-nominated trustee has recently been appointed to the Trustee Board. You are due to meet the new trustee to brief him on how the scheme is managed.

A key part of the discussion will be explaining the various risks and conflicts of interest that the scheme faces on an ongoing basis.

Prepare some notes for the meeting, outlining how the risks can be effectively managed, the various types of risks that are prevalent, and the new and emerging risks that now also affect schemes.

**60 marks**