Examiners' Report: Professionalism & Governance (P&G) – 17th July 2026 Exam

Key Messages for Learners

This paper was designed to test learners' ability to apply the principles of governance, professionalism and communication to realistic scenarios. These are consistent with the syllabus requirements for the Professionalism and Governance Module. This module is an applied, scenario-based assessment. Learners are expected to demonstrate their ability to integrate knowledge from the Governance, Professionalism and Communications Manuals, together with broader industry awareness.

During the July 2026 exam sitting, 6 candidates attempted the exam, with 3 successfully passing the unit.

1. Introduction

The structure of this report mirrors previous Examiners' Reports and is intended to guide future learners and support examiner consistency.

As an indication, learners should aim for approximately 1,300–1,500 words for Question 1 and 100–200 words per short-answer question. Answers which are simply too brief are unlikely to contain sufficient points to gain the marks available. Marks were shown for each question component to guide learners in how much effort is required at each stage. These components will be helpful in keeping to the brief and maintaining structure.

For Question 1, format and communication marks are important and shouldn't be overlooked. Clear headings, logical structure and a professional, trustee-focused style all contribute to the marks available.

Where learners use the online exam portal to plan their answers, examiners can take those plans into account. Plans or notes which are not included in the portal cannot be seen by examiners.

Learners should also be aware there is no negative marking. An incorrect individual point will simply not attract a technical mark. The exception is where inaccuracies or inappropriate content affect the overall quality of communication in Question 1.

2. General Observations

Performance across the paper was mixed. Stronger answers were clear and well structured, demonstrated what the learner knew and, importantly, applied that knowledge to the question being asked.

Some weaker answers did not contain sufficient detail to gain the marks available. In other cases, learners demonstrated relevant knowledge but did not fully answer the question posed or omitted elements specifically requested in the question.

Planning and time management remain important. Learners should consider the marks available for each question and each component of a question and allocate their time accordingly. A short period spent identifying what the question is actually asking and planning the answer can help avoid missing significant areas.

Learners are reminded this is an advanced level examination. Answers should demonstrate analysis, application and judgement, not simply knowledge recall.

Overall:

- Stronger answers were clearly structured and addressed each component of the question
- Learners should read the wording carefully and make sure their answer responds to what has been asked
- Relevant knowledge needs to be explained and applied rather than simply stated
- Answers need sufficient breadth and depth to access the marks available
- Planning can help learners identify the different elements of a question and manage their time across the paper
- For Question 1, professional presentation, structure and communication are an important part of the assessment

3. Question-by-Question Commentary
3.1 Question 1 – Case Study (60 marks)

You work for a governance consultancy advising a trustee board of a UK occupational pension scheme.

The scheme administrator has recently experienced a significant service disruption following a systems failure. As a result:

- Core financial transactions were delayed
- Member enquiries increased significantly, with some complaints received
- Service reporting for the quarter is incomplete
- The administrator has provided limited explanation, citing ongoing internal investigations

The trustees are concerned about service delivery, controls, regulatory implications and member impact. The employer is also seeking reassurance. Write a paper to help the trustee board assess and respond to this situation. Your paper should cover:

a) Key risks and implications arising from the service disruption. (14 marks)
b) How trustees should oversee and manage service providers in this situation. (14 marks)
c) How service delivery, performance monitoring and internal controls should operate. (14 marks)
d) Recommendations for improving future resilience and governance. (6 marks)

Syllabus Section 4, 5, 6, 8
Gov/Prof/Comms Manuals: Governance Manual Part 1, Chapter 1–2, pp.21–57; Part 2, Chapter 1, pp.65–78; Professionalism Manual Part 2 (Code of Conduct), from p.36; Communications Manual Chapter 1–2, pp.16–32
Wider reading: TPR General Code, cyber resilience and administration guidance; PASA administration standards

Learners were asked to write a paper for a trustee board following a significant service disruption at the scheme administrator after a systems failure. Core financial transactions had been delayed, member enquiries and complaints had increased, quarterly service reporting

was incomplete and the administrator had provided limited explanation while its internal investigations continued.
The question asked learners to consider key risks and implications, trustee oversight and supplier management, service delivery and management, resilience and governance.

a) Key risks and implications (14 marks)
Answers could identify operational and financial risks arising from delayed transactions, potential financial detriment to members, complaints and escalation risk, reputational damage and the impact on member and employer confidence.

Learners could also consider data and cyber risks, even where a breach had not been confirmed, alongside potential regulatory implications and any reporting obligations.

The incomplete management information and limited explanation from the administrator were also important. Trustees need reliable information to understand what has happened, assess the impact and make informed decisions. Learners could therefore consider the risks arising from inadequate reporting itself, as well as the underlying service failure.

Stronger answers recognised the potential for the incident to indicate weaknesses in business continuity arrangements, controls or wider operational resilience and considered whether the scheme's existing risk register adequately reflected these risks.

b) Trustee oversight and management of service providers (14 marks)
Trustees retain responsibility for the effective governance of their scheme even where activities have been delegated to a third-party service provider.

Learners therefore needed to explain how trustees should actively oversee the administrator during and following the incident. This could include obtaining timely and transparent information, understanding the extent and cause of the disruption, monitoring recovery and using existing contractual arrangements, service levels and escalation processes. It could also mean reaching out to specialist advisers.

Effective challenge was important. Trustees should not simply accept incomplete information where this prevents them from understanding the risks to the scheme and its members.

Learners could also have considered the role of the trustee board, relevant committees and the Chair, together with when independent legal, administration, audit or other specialist advice might be appropriate.

The quality of the trustee's response and the audit trail supporting its decisions were also relevant, including demonstrating integrity, objectivity and appropriate professional challenge.

c) **Service delivery, performance monitoring and internal controls (14 marks**)
This section required learners to look beyond conventional SLA reporting.

SLAs and KPIs remain important measures of service, but quantitative measures alone may not provide trustees with a complete picture. Complaint information, member feedback, transaction volumes, errors, exceptions and other qualitative information can provide important additional insight.

Learners could consider the controls needed around core financial transactions, data quality and security, cyber resilience, business continuity and third-party providers. Assurance reporting, such as AAF or ISAE reports, may also support trustee oversight.

Root cause analysis was particularly relevant following a significant failure. Trustees need to understand not only what went wrong but why, what corrective action is required and how they can gain assurance that the same or a similar problem will not recur.

d) Recommendations for improvement (6 marks)
This part required learners to move from responding to the immediate incident to considering how governance could be strengthened for the future.

Recommendations could include improving the service-provider oversight framework, reviewing SLAs and KPIs, strengthening reporting and escalation arrangements, improving business continuity and disaster recovery arrangements and enhancing cyber resilience.

Other relevant areas included formal incident-response protocols, trustee training, strengthening the risk register, independent reviews or audits, scenario testing and contingency planning.

Member and employer communications should also be considered. Where an operational incident affects members, trustees need an appropriate communication approach rather than considering the operational response in isolation.

Stronger answers drew the various strands together into practical recommendations rather than simply repeating the risks identified earlier in the answer.

Communication marks
Question 1 also carries 12 marks for communication and format. These marks should not be regarded as incidental to the technical answer. Learners should present their response as the paper requested, with an appropriate title and context, a short summary or introduction, clear headings which reflect the different elements of the question, and a logical flow through to conclusions and recommendations.

The writing should be professional, concise and appropriate for a trustee audience. Bullet points and tables can be helpful where they improve readability, but should support rather than replace sufficient explanation.

Good structure can also help learners secure technical marks. Using the question requirements to plan and structure the paper makes it easier to check that each element has been addressed and reduces the risk of relevant knowledge being included without actually answering the question asked.

3.2 Question 2 – Professionalism and ethics (15 marks)
A pensions professional may face situations where commercial, organisational or client pressures conflict with their professional obligations.

Explain how the PMI Code of Professional Conduct should guide behaviour in such situations. Your answer should cover:

a) The core principles within the Code of Professional Conduct (6 marks)
b) How conflicts and pressures should be identified and managed (5 marks)
c) The role of professional judgement and integrity in decision making (4 marks)

Syllabus Section 1, 3
Professionalism Manual: Part 2 (PMI Code of Professional Conduct), pp.36–39

This question asked learners to explain how the PMI Code of Professional Conduct should guide a pensions professional where commercial, organisational or client pressures conflict with professional obligations.

A key point was the breadth of the question. Conflicts should not be considered solely in the context of conflicts between individual trustees. Pensions professionals operate within a wider environment involving clients, employers, advisers, service providers and commercial organisations, all of which can give rise to actual or potential conflicts and pressures.

Learners needed to demonstrate an understanding of the core professional principles, including integrity and honesty, objectivity, competence, confidentiality, high standards of service and maintaining professional standards.

Answers then needed to explain how those principles work in practice. This could include identifying and disclosing actual or potential conflicts, following formal conflicts policies and processes, maintaining independence and not allowing commercial or organisational pressure to override professional judgement.

Depending on the circumstances, recusal, escalation or independent advice may be appropriate.

The role of professional judgement was also important. Professionals need to make evidence-based decisions, act within their competence and be prepared to seek support or specialist advice where necessary.

Some answers considered conflicts too narrowly and therefore missed opportunities to explore the wider pressures which pensions professionals can encounter. Few considered how independent advisers or other external experts could assist where a professional needs additional expertise, challenge or independence.

Stronger answers demonstrated how the Code should influence behaviour and decision-making in practice rather than simply listing its principles.

3.3 Question 3 – Performance measurement and reporting (15 marks)
Explain the role and value of performance measurement and reporting in managing pension scheme service providers. Your answer should cover:

(a) The types of performance measures used. (5 marks)
(b) How reporting supports trustee decision-making. (6 marks)
(c) Limitations of performance data. (4 marks)

Syllabus Section 5, 6
Governance Manual: Part 2, Chapter 1, pp.65–78
Wider reading: PASA guidance; TPR expectations on administration and reporting

Learners were asked to explain the role and value of performance measurement and reporting in managing pension scheme service providers. They could identify a range of measures including SLAs, KPIs, turnaround times, accuracy and error rates, member experience measures and operational or workflow volumes. However, the question required more than simply identifying measures. Learners also needed to explain how reporting supports trustees in overseeing providers, challenging performance, identifying trends and emerging issues and making evidence-based decisions.

Reporting can also trigger escalation and remediation activity and inform decisions about whether a service provider continues to meet the scheme's requirements.

An important part of the question concerned the limitations of performance data. Quantitative measures may mask underlying problems and apparently satisfactory SLA performance does not necessarily mean members are receiving a good service.

Reported information may itself be incomplete or inaccurate, while individual KPIs may fail to reflect member experience or the context behind complaints and service failures. Trustees therefore need to combine quantitative information with appropriate qualitative insight and challenge.

Some answers were too short to develop these points sufficiently. Learners should use the marks available as a guide to the breadth and depth expected.

3.4 Question 4 – Communication (10 marks)
Outline the key factors that determine whether a communication to pension scheme members is effective. Your answer should cover:

a) The importance of understanding the audience. (4 marks)
b) The role of clarity and structure in communication. (3 marks)
c) How effectiveness can be assessed. (3 marks)

Syllabus Section 8
Communications Manual: Chapter 1–2, pp.16–32

This question asked learners to outline the key factors determining whether a communication to pension scheme members is effective. This question was generally answered well.

Learners recognised the importance of understanding the intended audience and tailoring language, tone and content accordingly. This includes avoiding unnecessary jargon or technical complexity and considering members' circumstances and likely level of knowledge.

Clear purpose, logical structure, straightforward language and appropriate use of headings and formatting all contribute to effective communication.

Learners could also identify a range of ways in which effectiveness might be assessed, including member feedback, engagement or response rates, complaints and evidence of misunderstanding. Testing communications through pilots or reviews can also help identify whether messages are being understood as intended.

Stronger answers recognised effective communication is not simply about producing information which is technically accurate. Trustees and those communicating on their behalf also need to consider whether the intended audience can understand the information and whether it achieves its intended purpose.

4. Summary of Advice to Learners

The P&G examination is designed to test application of knowledge rather than recall alone. Learners should:

- Read each question carefully and identify every element they are being asked to address
- Use the marks available to judge the breadth and depth required
- Plan answers before writing, particularly for the longer case-study question
- Apply knowledge to the circumstances described rather than relying on generic statements
- Explain points sufficiently to demonstrate understanding
- Use clear headings and structure so the examiner can follow the answer
- Draw on the Manuals alongside relevant wider industry and regulatory knowledge
- Manage time across the whole paper
- Remember there is no negative marking for individual technical points
- Include any answer planning in the online exam portal if they want it to be visible to examiners

The strongest answers demonstrate not only what the learner knows, but how that knowledge should be applied in a realistic professional situation.