





National Federation of Voluntary Service Providers

Pension & Life Assurance Scheme

Annual Report 2024



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Pension Authority No: PB67866

Revenue Approval No: SF7346

PENSION TRUSTEES: Mr. James Skehan (Chairman and Professional Trustee); Mr. John McHugo (Vice Chairman); Ms. Pauline Brennan; Mr. Francis Coughlan and Ms. Deirdre Herlihy.

OVERVIEW OF SIZE OF PENSION SCHEME:

The National Federation of Voluntary Service Providers Pension & Life Assurance Scheme has grown significantly since its establishment in 1996. As of 31st December, 2024, there were:



- 24 employers participating in the Scheme.
- 9,139 members (comprising 5,812 active members and 3,327 deferred members).
- Approximately €397 million in funds under management, with 98% invested in the Scheme's default investment strategy i.e., EMPOWER Personal Lifestyle Strategy (PLS)
- Monthly contributions amounted to approx. €2.5m.

SCHEME ENAGEMENT WITH EMPLOYERS AND MEMBERS:

A workplan was developed between the Trustees and Irish Life in 2024 which aimed at increasing pension awareness and information for members of the Scheme. This was achieved in a number of ways including:

- ✚ The Pensions Tab on www.fedvol.ie was continuously updated and additional new pension material uploaded. Members now have access to a full suite of Pension Scheme information available on the website, including Pension Booklets and forms; FAQs document; Videos; Webinar Recordings; Newsletters; Investment updates; Trustees Annual Report & Financial Statements.



- ✚ Annual Pension Benefit Statements were issued to member's home address, which provided members with details in respect of their pension contributions paid; outlined the investment fund(s), and its value, the member is invested in; provided the member with an estimate of the likely benefits that will emerge in respect of the member at their Normal Retirement Date i.e., their 65th birthday.



- ✚ Online Member Portal – members no longer have to wait for their annual Pension Benefit Statement to know the value of their pension fund, they can now check their fund value at any time via their Member Portal. Further details on the Member Portal, including 2 videos on (a) how to register for the portal and (b) how to use the online member portal, are available to watch on www.fedvol.ie (click on pensions tab).



- ✚ In 2024, 5 online group presentations were held for members of the National Federation's Pension Scheme which took place in April and December 2024.

April's webinar looked at the **"Importance of Pension Saving"** which addressed the following topics:

- Why it's important to save for your retirement.
- Pension Contributions and Additional Voluntary Contributions (AVCs).
- The Personal Lifestyle Strategy and understanding all your investment options.
- Outline of how members can review their pension fund online via the Irish Life Member Portal.



December's webinar looked at "**Essential Guide to Retirement**" which addressed the following topics members need to consider as part of their countdown to retirement, including:

- Options at retirement (including case studies).
- Things to consider today.
- The retirement process.
- Ongoing support and one-to-one meeting opportunities.

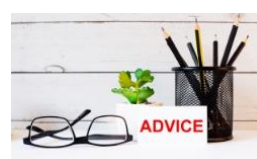


A recording of the above webinars are available for replay on www.fedvol.ie (click on pensions tab).

- ✚ The Irish Life Engagement Team reached out to all employers of the Scheme to offer on-site presentations. These sessions aim to inform and educate members about their pension fund and therefore it is important that employers continue to facilitate these presentations on an ongoing basis.



- ✚ The Advice Team was increased from one to two points of contact assigned to each participating employer of the Scheme. The Advice Team made themselves available to all members for one-to-one meetings regarding their pension fund. The 2 Advice Team point of contacts assigned to each employer and their relevant contact details are available on www.fedvol.ie (click on pensions tab).



- ✚ Members received a "nudge" communication via email, or when they were logged into their Member Portal, to not forget to engage with their Advice Team point of contact; reminders of webinars being organised for them on different themes appropriate to them etc.



- ✚ Members within 6 years to retirement were issued with a Personalised letter from their Irish Life Advice Team point of contact inviting them to engage with them so members have:

- A clear understanding and expectation of what their pension fund will be at retirement.
- An insight on what way they will draw down their pension fund at retirement.



- ✚ Retirement Seminars - The Pension Trustees, in association with Irish Life, organised Retirement Planning Seminars to support and provide valuable information to members of the Pension Scheme as they approach retirement. Employers were requested to invite Pension Scheme Members in their organisation who were due to retire over the next 5 years to attend. 3 seminars took place during May and June 2024, one each in Dublin, Tullamore and Mayo, where a total of 68 people attended.



PENSION SCHEME WORKSHOP FOR PARTICIPATING EMPLOYERS:

A Pension Scheme Workshop for all participating employers in the Scheme was held in November, 2024, in the Tullamore Court Hotel. The purpose of the Workshop was to educate and upskill all personnel involved in the administration of the pension scheme and ensure they are fully aware of all their responsibilities in relation to the National Federation's Pension & Life Assurance Scheme.

James Skehan, the Scheme's Professional Trustee, covered the following topics:

- An overview of the Pension Scheme.
- Working beyond age 65 and change in scheme rules to facilitate members continuing to contribute to their pension fund.
- Auto-enrolment.
- Budget 2025 and Implications for Pensions.
- State Pensions.



Maria McMahon, Pension Scheme Manager, provided attendees with an online demo of what information is available to all Scheme members on the Federation website www.fedvol.ie (click on pensions tab) and advised employers that they should continue to inform members of the availability of the website, and its content, so members can educate and upskill themselves in relation to their pension fund. Maria also provided a brief overview of the contents to what is included in the Pension Scheme Administration Manual, which will be circulated to employers once legal advice has been finalised re: facilitating members working beyond age 65 and continuing to pay pension contributions.



Irish Life updated the employers in respect of the following:

- Scheme's Administration Procedures i.e., procedures for notifying new entrants and leavers to Irish Life and submitting monthly returns.
- Requirements / Purpose of the Data Renewal Exercise 2025.
- Secure-Share: Secure portal employers can now use when submitting data & monthly returns to Irish Life.
- Overview of both the Engagement Team and Member Advice Team and what work both teams do.



Finally, Irish Life provided employers with an update on the new projection tools available on the Online Member Portal. These new tools provide members with calculations in respect of their cash lump sum if they proceed on drawing down their pension fund via (a) service / salary route or (b) 25% of their fund value. Employers were reminded of the importance of members registering for this online tool and getting up to date information on their pension fund, like the way a member logs on to their bank account online.



Cornmarket provided employers with the following updates:

- Aviva - New Group Life Insurer and benefits of the Group Life Scheme.
- Group Life Performance & Claims Level.
- Late Joiners Procedure.
- Salary Protection Scheme - Outline of current benefit structure and number of current claims.
- Review of Salary Protection Scheme due in March 2025.



TRUSTEES MONITORING OF IRISH LIFE AS BOTH REGISTERED ADMINISTRATOR AND INVESTMENT MANAGER:

In accordance with the Pensions Authority Code of Practice, the Trustees are required to monitor the performance of Irish Life as the Registered Administrator and Investment Manager on a quarterly basis and review on an annual basis. However, in respect of 2024, the Trustees were also required to carry out a Critical Review of Irish Life as both Registered Administrator and Investment Manager. The critical review is an in-depth review of Irish Life's performance conducted against the obligations specified in their contract and in the SLA. The critical review forms the basis for a decision by the Trustees as to whether to retain the current administrator or consider their replacement.



The review was carried out in respect of period 1st January, 2022 (date of Irish Life's appointment) to the end of September 2024 and the evaluation of Irish Life and Irish Life Investment Managers (ILIM) was based on:



- Irish Life contract and SLA.
- The administration quarterly governance reports the Trustees received from Irish Life.
- The investment performance of ILIM Vs the agreed benchmark for each fund, and the performance of their High Growth Fund Vs their competitor's "equivalent" fund.
- The experience of the Trustees and the Pension Scheme Manager in their dealings with Irish Life and ILIM.

The outcome of the above review, concluded in late December 2024, was a decision by the Trustees to retain Irish Life for a further two-year period.

TRUSTEES MEETINGS:

The Trustees convened 4 regular Trustee meetings; 1 investment review meeting with Irish Life Investment Managers (ILIM) and 1 strategic planning / training day in 2024. The Trustees also participated in other Team Meetings with Irish Life, Cornmarket, Key Function Holders for Risk Management and Internal Audit; the Scheme's External Auditor; legal advisors etc.



TRUSTEES TRAINING:

Pension Trustees Training took place in December 2024, in line with requirements that Trustees must undergo Refresher Training every 2 years. The Trustees of this Scheme have agreed to undergo training on a yearly basis having regard to the number of new requirements / regulations etc. This decision will be kept under review.



LEGAL WORK:

The Trustees continued to engage with A&L Goodbody to carry out:

- (a) A review and update to the Scheme's Trust Deed & Rules, including the provision to facilitate members to continue paying pension contributions if they remain on in employment after age 65, with the consent of their employer. The changes will be effective from January 2025.
- (b) Work on establishment of the Scheme as a Designated Activity Company (DAC) in line with EU IORP 11 Directive and the Pensions Authority Code of Practice requirement. This work is still ongoing.



TRUSTEE ANNUAL REPORT (TAR) & FINANCIAL STATEMENTS:

As required by Pension Legislation, the Trustees prepared a Trustees Annual Report (TAR) and Financial Statements for year ended 31/12/23 and circulated same to each participating employer and recognised Trade Union in line with the 30th September, 2024, deadline for completion.

A copy of the TAR and Financial Statements for year ended 31/12/23, and previous years, are available on the National Federation's website www.fedvol.ie (click on pensions tab).



POLICIES REVIEW:

The Trustees in 2024 continued to:

- Review existing Scheme policies in line with their review timelines; and
- Develop new policies, where required, to ensure IORP 11 and the Code of Practice requirements were adhered to.

Copies of the Scheme's policies are available on www.fedvol.ie (click on pensions tab).



PENSION SCHEME NEWSLETTERS:

The Trustees produced two newsletters in 2024 covering the following topics:

March 2024: Scheme Webinars (April 2024) & Retirement Planning Seminars; Pension Benefit Statements; Auto-Enrolment; Trustees Workplan for 2024; Review of Trustees' activity undertaken in 2023 and other relevant pension information.



October 2024: Budget 2025 – Implications for Pensions; Do you “Tune Out” when pensions are mentioned?; Essential Guide to Retirement - Online Webinar (28th November or 4th December, 2024); Employer Pension Workshop (19th November, 2024); Trustees’ Annual Report & Financial Statements for year ended 31st December, 2023; Outline of how members can make a lump sum AVC payment into their pension fund and claim back tax for 2023 before the Revenue deadline of 31st October, 2024; Women and Pensions – Gender Pay Gap Research



Copies of the above newsletters are available to view on www.fedvol.ie (click on pensions tab).

GROUP LIFE REVIEW:


The Group Life Scheme transitioned from Zurich to Aviva on 1st February, 2024. Despite rising costs, the Trustees secured a 0.43% rate for the next four years, ensuring the same level of death-in-service benefits for members. Cornmarket continue to act as the Scheme’s broker for the Group Life Scheme.




Employers were informed of the above change and policies and contracts were updated to reflect the Group Life Scheme transfer to Aviva.

KEY FUNCTION HOLDERS:

The Trustees continued to work with the Scheme’s appointed 2 external Key Function Holders (KFHs) as follows:

 **Risk Management:** Ms. Cathie Farrell, Grant Thornton, 13-18 City Quay, Dublin 2.

 **Internal Audit:** Mr. Tom Gilligan, Align Advisory Limited, The Charlemont Exchange, Dublin 2.

K F H

The following work was carried out by the Trustees and Key Function Holders during 2024:

Risk Management:

- Completed in April 2024 the Scheme’s Own Risk Assessment (ORA). The purpose of the ORA was to identify and assess the material risks that threaten the achievement of the Scheme’s objectives and providing a true assessment of risks in the Scheme.
- Reviewed and updated the Scheme’s Risk Register, following completion of ORA.
- Reviewed the existing Risk Management Policy and updated same to reflect the ORA procedures.
- Reviewed and approved the Risk Appetite Statement Policy.
- Reported on the Key Risk Indicators at the quarterly Trustee meetings.
- Monitored the status of the action plans identified in the ORA at the quarterly Trustees meetings, following the ORA sign off.



Internal Audit:

2 audit tests were carried out in 2024 in conjunction with employers and Irish Life which covered the following areas:

- **New Entrants Process:** This test sought to verify the correct set-up of new joiners in the Scheme by Irish Life, based on the information provided by each employer. This includes verification that members details are accurate; they are invested in the correct funds; member was issued with required documents e.g., member booklet from employer and welcome pack from Irish Life. The test also sought confirmation that employers were aware of the “late joiners” process that is required to be adhered to in respect of a member’s group life cover if they joined the scheme on a later date to the date they joined their organisation.
- **Renewals Test & Pension Benefit Statement:** This test reviewed the processes by which each employer provides their annual data update to Irish Life (“the Pre-Renewal 2024” process). Some work in respect of comparing the records held by Irish Life to establish any variances etc, and reviewing the Pension Benefit Statements to ensure its contents adhere to pension requirements will be completed in Q1 2025.



The Trustees reviewed the outcome of the above tests and implemented relevant recommendations proposed by the Key Function Holder.

ADMINISTRATION & COMPLIANCE:

The National Federation Secretariat via the Pension Scheme Manager continued to provide administrative support to the Pension Scheme Trustees in 2024 and acted as point of contact for all key stakeholders to ensure the smooth and efficient running of the Pension Scheme i.e., Pension Trustees; Participating Employers; Irish Life; Cornmarket; Risk and Internal Audit Key Function Holders; External Auditor and legal advisors etc.



Almost all employers co-operated with the monthly return of pension contributions to both Irish Life and Cornmarket by their required timelines in 2024. All death claims, applications for retirement on grounds of ill health; pension adjustment orders, transfers applications and purchase of annuity forms etc., were all duly processed in a timely fashion.

In this regard, the Trustees would like to thank all employers for their co-operation in assisting the Trustees in discharging their duties and ensuring the Scheme is run efficiently and in compliance with the Scheme Rules.

