




National Federation of Voluntary Service Providers

Pension & Life Assurance Scheme

Annual Report 2021



 Oranmore Business Park, Oranmore, Galway, Ireland

 + 353 (0)91 792316  pensionadmin@fedvol.ie  www.fedvol.ie

Pension Authority No: PB67866

Revenue Approval No: SF7346

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

Review of Pension Administration, Investment & Consultancy Services:

The Trustees published a Tender for the Supply of Pension Administration, Investment & Consultancy Services to the Pension Scheme in May 2021. The main purpose of this exercise was to comply with good governance and ensure the Scheme members are receiving an excellent service and getting value for money for their investment.



Oifig um Sholáthar Rialtais
Office of Government Procurement

Following an extensive review, and with the assistance of Lane Clark & Peacock Ireland Ltd who were appointed as Advisors to the Tender Process, Irish Life were appointed as the Administrators and Investment Managers for the Pension Scheme, effective from 1st January, 2022. There are significant benefits for all stakeholders as a result of this move to Irish Life, including a further reduction in the Annual Management Charge for members; improved member engagement and Trustee support.



Irish Life

A lot of work took place both prior to the Tender Process in the preparation of the Request for Proposal document and selecting an independent Advisor to assist the Trustees in the Tender Process and ensuring a successful outcome. Following the selection of Irish Life as the successful candidate, the following work took place:

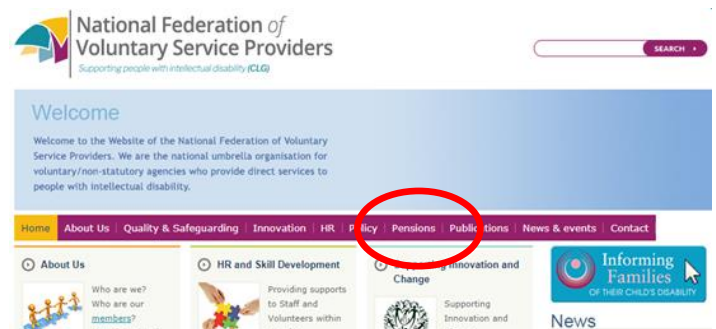
- Member / Employer Engagement – A Workshop was organized in Tullamore in November 2021 for all employers to update them on next steps in respect of the transfer of the Scheme to Irish Life and also outline the communications process for members that was agreed.
- A Scheme Newsletter was drafted which summarised the Scheme move to Irish Life and also outlined what was involved and how and where members can get further information on the transition.
- A Frequently Asked Questions (FAQs) document was drafted about the transition of the Scheme which included information on when the transfer will take place; how members funds will be transferred over; where can members get information etc.
- Each participating employer was communicated with outlining their specific details i.e., their organisation's Scheme number, Irish Life dedicated engagement and advice contacts for their organisation and members.
- Transfer of Assets – Transfer Agreements were drafted which outlined how the Scheme's Fund (approx. €300m) would be transferred from New Ireland to Irish Life and what work needed to be carried out during the Blackout Period commencing on 1st January 2022 until end of March. To facilitate the transfer of all Scheme data and reconciliation of monies, and the creation of individual members' pension records on the Irish Life system a 'blackout period' is required on the Scheme. Moving this size fund from one investment manager to another is a sizeable task and therefore careful and thorough planning was required in advance of the actual Scheme transfer.

Documentation – To facilitate the transfer of the Scheme to a new Registered Administrator a number of documents were required to be prepared. New Scheme booklets and forms including, member booklet; investment booklet; approaching retirement booklet; member application form and switch form were also drafted. Data Sharing Agreements were prepared between each employer and Irish Life, which was considered best practice to help display that both parties are in compliance with data protection law / GDPR, as well as regulatory requirements concerning the transfer of personal data.



Pension Website:

The Trustees continued to update the dedicated pension page on the National Federation’s website www.fedvol.ie. The website page contains links to the full range of member booklets outlining the main benefits and features of the Scheme, as well as copies of important forms and documents; pension links and updates on the Scheme Transfer to Irish Life etc.



Meeting with the Pensions Authority:

The Trustees met with the Pensions Authority on 2 occasions during 2021. The first meeting took place on 21st July, 2021, as part of the Pensions Authority’s programme of engagement work with Pension Schemes and their move to forward-looking risk-based supervision. Accordingly, the National Federation of Voluntary Service Providers’ Pension & Life Assurance Scheme was selected as part of the Authority’s 2021 engagement programme.



The purpose of the meeting was to examine how well the National Federation’s Pension Scheme is equipped to meet the enhanced governance and risk management requirements that have been transposed into law under the IORP II Directive. Also given the size of the National Federation’s Scheme and the complexity in respect of the number of participating employers, the Scheme was selected. The Pensions Authority sought an understanding of the activities carried out by the Trustees to date towards meeting the enhanced governance and risk management requirements, as well as any future plans and timelines towards that aim, and what processes, policies and practices the Trustees have currently in place and how they were drafted and approved.



The meeting was a very positive meeting and there was good engagement from all parties.

The second meeting took place on 2nd December, 2021, to further discuss the Pension Authority's views on how the Pension Scheme should be structured and if there is a need for the Scheme to be set up as a DAC, a final decision on this issue is due shortly from the Pensions Authority.

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 31/12/20 and circulated same to each participating employer and recognised Trade Union in line with the 30th September, 2021, deadline for completion.



A copy of the TAR and Financial Statements for year ended 31/12/20 are available on the National Federation's website www.fedvol.ie (click on pensions tab).



The Scheme as at 31/12/21 currently comprises of 24 participating employers; 6,709 members (4,943 Active members and 1,766 Deferred members).



The Scheme's fund value under management is over €307m as of 31st December, 2021, most of which is invested in the Default Strategy for the Scheme.

Trustee Training:

Pension Trustees Training took place in February 2021, in line with requirements that Trustees must undergo Refresher Training every 2 years. The Trustees agreed however, that they will undergo training on a yearly basis going forward having regard to the number of new requirements / regulations etc.



Appointment of an Additional Trustee:

The Trustees sought expressions of interest from participating employers in respect of appointing an additional Pension Trustee to the Pension Scheme in 2021, which would complement the skills mix and experience of the current Trustees and also meet the fit and proper requirements of the Pensions Authority Code of Practice. Mr. Paul Switzer, Finance & ICT Manager, KARE, agreed to be appointed and his appointment was approved by the Trustee Board on 30th November, 2021 and will be formally ratified by the National Federation's Board in January 2022.



Trustees Meetings:

The Trustees convened 8 meetings in 2021. The Trustees also participated in other Team / Zoom meetings with New Ireland, Cornmarket, Irish Life and the Scheme's Auditor.

Scheme Newsletters:

The Trustees produced 2 newsletters in 2021 covering the following topics:

March 2021: Trustees' activity undertaken in 2020; Trustees proposed workplan for 2021; Reduction in the Annual Management Charge (AMC) effective from 1st January, 2021; Information on Retirement & Life Planning Seminars and other relevant pension updates.



November 2021: Announcement of Scheme's Move to Irish Life; Annual Report & Financial Statements for year ended 31st December, 2020; Outline of what is IORP II; Finance Bill 2021 – Pension Amendments and other relevant pension updates.



Copies of the above newsletters are available to view on www.fedvol.ie

Drafting and Reviewing Governance Policies:

The Trustees prepared and reviewed a number of written policies including the following:

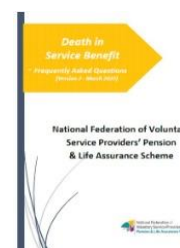
- (a) Business Continuity Plan
- (b) Conflicts of Interest
- (c) Remuneration & Other Charges
- (d) Member Engagement
- (e) Employer Engagement
- (f) Internal Financial Controls
- (g) Internal Dispute Resolution Procedures Policy
- (h) Risk Management
- (i) Selection, appointment and monitoring of Key Function Holders (KFHs)
- (j) Statement of Investment Governance
- (k) Statement of Investment Policy Principles



The above policies are available on www.fedvol.ie (click on pensions tab)

Group Life Scheme - Frequently Asked Questions Document:

A Group Life Scheme Frequently Asked Questions document was circulated to each participating employer in the Pension Scheme. It was agreed to keep this document under review and update as more questions come in from employers or when there are changes applied to our Death in Service Scheme (FAQs doc available on www.fedvol.ie).



Retirement & Life Planning Seminars:

4 Retirement & Life Planning Seminars took place during 2021 via Teams due to covid restrictions, where 94 members, including spouse/partners participated. The Seminars are to support and provide valuable information to members of our Pension Scheme as they approach retirement.



Administration & Compliance:

The National Federation Secretariat via the Pension Scheme Manager continued to provide administrative support to the Pension Scheme Trustees in 2021 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; New Ireland; Cornmarket; Auditor etc.

All employers co-operated with their monthly return of pension contributions to both New Ireland and Cornmarket by their required timelines in 2021. 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.