

Member Outcomes Assessment



Annual Determination

The Trustee has determined that the financial interests of the beneficiaries of VISSF who hold the product are being promoted by the Trustee, having regard to a comparison of the product with other products offered by other regulated superannuation funds based on the following factors:

- the fees and costs that affect the return to beneficiaries holding the product;
- the return for the product, after the deduction of fees, costs and taxes;
- the level of investment risk for the product; and
- any other matter set out in the APRA Prudential Standard.

Product Assessment

The following section summarises the product assessments for:



- the fees and costs that affect the return to beneficiaries holding the product;
- the return for the product, after the deduction of fees, costs and taxes; and
- the level of investment risk for the product.

The methodologies for each item aim to reference the relevant benchmarks, such as APRA's heatmap for the VISSF MySuper product, as well as the use of industry wide surveys or other independent research obtained by the Trustee, as an appropriate way of comparing products. Within the Trustee's Strategic Business Plan, a peer group of competitor funds has also been used.



Fees and costs

Product	Assessment summary	Result
VISSF Balanced Option (MySuper)	<p>The VISSF Balanced Option (MySuper) ranks as lower cost than the median for Administration fees disclosed and close to the median for total fees on \$50,000 and \$100,000 account balances.</p> <p>Based on the comparison undertaken:</p> <ul style="list-style-type: none"> • there is no clear indication that members are being disadvantaged due to the scale of VISSF; • operating costs do not appear to be inappropriate in comparison to other super funds; and • the basis of setting fees would appear to remain appropriate at this time. <p>Therefore, it is considered likely that the financial interests of the members who hold this product are being promoted by the Trustee.</p>	
VISSF Choice Options (Accumulation Division): Balanced; All Growth; Conservative; and Cash	<p>The VISSF Choice options rank close to the median for total fees on \$100,000 account balances compared to other industry super funds.</p> <p>Therefore, it is considered likely that the financial interests of the members who hold this product are being promoted by the Trustee.</p>	
VISSF Pension Options: Balanced; All Growth; Conservative; and Cash	<p>The VISSF Pension options rank close to the median for total fees on \$100,000 account balances compared to other industry super funds.</p> <p>Therefore, it is considered likely that the financial interests of the members who hold this product are being promoted by the Trustee.</p>	

Returns

Product	Assessment summary	Result
VISSF Balanced Option (MySuper)	<p>The VISSF Balanced Option (MySuper) ranks below the median based on the APRA data to 30 June 2020, however, is above the Chant West Multi-Manager survey median for both the 5 and 10 year time periods to 30 November 2020.</p> <p>Based on the comparison undertaken:</p> <ul style="list-style-type: none"> • there is no clear indication that members are being disadvantaged due to the scale of VISSF; • operating costs do not appear to be inappropriate in comparison to other super funds; and • the basis of setting fees would appear to remain appropriate at this time. <p>Therefore, when balancing the various time periods, it is considered likely that the financial interests of the members who hold this product are being promoted by the Trustee.</p>	
VISSF Choice Options (Accumulation Division): Balanced; All Growth; Conservative; and Cash	<p>The VISSF Choice options rank above the survey median for 5 year periods to 30 November 2020, and, was close to the Bank Bill Index benchmark for the Cash option.</p> <p>Therefore, it is considered likely that the financial interests of the members who hold these products are being promoted by the Trustee.</p>	

Risk












Product	Assessment summary	Result
VISSF Balanced Option (MySuper)	<p>The VISSF Balanced Option (MySuper) ranks higher than the median based on the APRA asset allocation data to 30 June 2020 and the Chant West Multi-Manager survey median to 30 November 2020.</p> <p>Based on the comparison undertaken:</p> <ul style="list-style-type: none"> • there is no clear indication that members are being disadvantaged due to the scale of VISSF; • operating costs do not appear to be inappropriate in comparison to other super funds; and • the basis of setting fees would appear to remain appropriate at this time. <p>Therefore, it is considered likely that the financial interests of the members who hold this product are being promoted by the Trustee.</p>	
VISSF Choice Options (Accumulation Division): All Growth; Conservative; and Cash	<p>The VISSF Choice options rank equal to the median based on the Chant West Multi-Manager survey to 30 November 2020.</p> <p>Therefore, it is considered likely that the financial interests of the members who hold these products are being promoted by the Trustee.</p>	

Assessment of member outcomes

The following assessments are for the period ended 31 October 2020, being the most recent reporting period for the Trustee.

Intended outcome	Target	Result
Strategic Goal 1: Investment Returns Providing sustainable competitive net returns for members	1.1 To achieve stated investment objectives for each investment option over rolling periods and after tax and investment fees in excess of CPI+x%.	
	1.2 To achieve median or above for each investment option the majority of time periods being 1, 3 and 5 years, as reported by the relevant benchmark investment survey.	
Strategic Goal 2: Service and Engagement Ensure members are engaged with VISSF	2.1 To match or improve the previous score or be above the industry average as measured by the Net Promoter Score (NPS).	
	2.2 To achieve conversion rates above industry benchmarks for each significant marketing campaign to members.	
	2.3 To achieve open rates above industry benchmarks for each significant digital campaign to members.	
	2.4 To identify new trends using "click through" rates for each significant digital campaign to members.	
Ensure employers are engaged with VISSF	2.5 To deliver "Super-Lite" seminars (with Russell Investments) to the top 20 VISSF schools over the next three years.	
Providing the best service possible to members	2.6 To have no withdrawals from VISSF due to complaints.	
To have effective and efficient external service providers	2.7 To have less than 5 incidents open at any time for each material business activity service provider.	
Strategic Goal 3: Product Ensure appropriate product offering and insurance cover for members.	3.1 To maintain or improve the awareness of products and services.	
	3.2 To maintain or improve on current ratings.	
	3.3 Implement two trial brand campaigns to support member acquisition campaigns.	
	3.4 To achieve the Insurance Code of Practice benchmark of insurance premiums being less than 1% of salary.	

Assessment of member outcomes continued...

Intended outcome	Target	Result
Strategic Goal 4: Sustainability Provide sustainable and competitive fees for members.	4.1 Achieve an ICR of 0.3% over the next 3 years (per forecast).	
	4.2 Administration fees and total fees (MySuper) charged to members to be lower than the median based on a representative member balance of \$50,000 when compared to a peer group and industry survey or statistics.	
	4.3 Pension member Administration fees to be less than the Chant West average of \$90 plus 0.3% for the average VISSF Pension member balance.	
Maintain fund membership at current levels or higher.	4.4 Total membership to be sustained at 7,000 members or more.	
	4.5 Implement the "Member Join On Line" by mid-2020 and implement 3 trial campaigns via digital channels over the following 2 years.	
	4.6 Implement 3 campaigns per year via digital channels for the activation, engagement and retention of existing members.	
Strategic Goal 5: Governance Comply with regulatory requirements and maintain appropriate governance structures.	5.1 Directors to be meet fit and proper requirements at all times.	
	5.2 To implement a Director Succession Plan during the course of this strategic business plan period.	
	5.3 To address any audit and/or other review findings concerning governance matters or issues within 90 days.	
	5.4 Ensure any legislative, regulatory and/or license breaches are reported and resolved within required timeframes.	
	5.5 Trustee to engage an independent party to undertake a comprehensive and robust assessment of funds in the superannuation industry	

Conclusion

The Trustee believes it has achieved its intended outcomes under all strategic goal topics, noting there are a few items that are subject to current and on going review to address any underperformance. As part of the Trustee's overall strategic position of outsourcing all of its business operations, it has engaged large scale service providers for key business activities including fund administration, investment and insurance offerings. There are no specific results identified where the beneficiaries of VISSF are being disadvantaged which would conclude the Trustee

is inappropriately affecting the financial interests of beneficiaries of VISSF due to the scale of the Trustee's business operations, its operating costs or efficiency of those business operations,

On the basis that the Trustee achieved it's intended outcomes relating to sustainability, which includes assessment of sustainable and competitive fees, it is concluded that the basis for setting of fees is appropriate for VISSF at the current time.