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Date: 2/9/2025

Dear Member

**PENSION BOARD - THURSDAY, 4 SEPTEMBER 2025**

I am now able to enclose, for consideration at next Thursday, 4 September 2025 meeting of the Pension Board, the following report(s) that were unavailable when the agenda was printed.

**Agenda Item No**

7

**Governance Update (Pages 1 - 22)**

Yours sincerely

Benjamin Watts  
General Counsel

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To:	Kent Pension Board – 4 September 2025
To:	Chairman – Kent Pension Board Interim Corporate Director Finance
Subject:	Governance updates
Classification:	Unrestricted

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### **Summary:**

To provide an update on all Governance matters. This includes any updated policies and strategies, and changes in legislation or regulation that will impact on the Fund. The paper considers the latest position in several areas and members are asked to consider and comment on these updates.

### **Recommendation:**

The Board is asked to note and comment upon the report.

### **FOR INFORMATION**

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## **1 Fund Policies**

- 1.1 The Fund has an update Communications Policy which is contained in the Administration report elsewhere on this agenda. This is an update on the current policy and does not make significant changes but was due for review.
- 1.2 In future meetings in 2025 the Board and Committee will be asked to review the Funding Strategy Statement and Administration Strategy. These are key documents that govern the operation of the Fund and support the relationship with the Fund's employers. These policies and others due for review will be presented at future meetings.

## **2 Business Plan and budget**

- 2.1 Members will be aware that every year the Fund refreshes its three-year Business Plan and budget, and this usually takes place at the start of the financial year. Due to the cancellation of meetings in recent months this is the first opportunity for members of the board to consider this year's update plans.
- 2.2 The three-year plan remains largely unchanged from previous versions but does recognise the key priorities of the Fund for the coming years. The full

Business Plan and budget is attached as an appendix to this report, and the following paragraphs pick out a couple of the key issues.

#### Investment and Funding

- 2.3 There are two significant aspects to the Investment and Funding plan for this year. The first is to deliver the Triennial Actuarial Valuation in a timely way. Members will be aware of the importance of this exercise and the outcomes. There is a separate paper of today's agenda, accompanied by a presentation from the Fund's Actuary; Barnett Waddingham to take the Board through progress and update on the current position.
- 2.4 The second key item is delivering on the Committee's decision on the future asset pool for the Kent Fund. Members will be aware of the Government's agenda through recent updates. Officers will give the Board an update on the latest position later on today's agenda.

#### Governance

- 2.5 The focus on the Governance part of the Business Plan is on supporting the changed membership of the Board and Committee since the recent election. A robust training plan is in place and will be considered in a separate paper.
- 2.6 The Fund will also be ensuring the Good Governance recommendations are implemented once the Government issue regulations later in 2025. As the Fund had a recent review of its governance processes, it is anticipated that very little change will be needed, however we await the final regulations, and will keep Board and Committee updated.

#### Administration

- 2.7 There are a number of key projects for the Pensions Administration team over the coming period, including concluding the work on the McCloud project. Members will be aware that this has been a long-term piece of work which will be concluded within the next twelve months.
- 2.8 Another key piece of work for the administration team is to continue the development of the service improvement plan identified in previous years. The Fund has made good progress, and the Board will receive regular updates on this and future agendas.
- 2.9 The Business Plan also includes the budget for the Fund over the three-year period. The budget remains broadly unchanged from previous years, with the exception of the additional spend to support the change in pooling arrangements. It is still unclear as to the exact costs of implementing the changes, although at this stage the budget includes an element of contingency. Initial discussions with future pool partners give optimism that the costs may not be so high.
- 2.10 Members will be updated on progress at future meetings, and the final outturn for 2024-25 will be available for the next meeting.

### **3 Independent Chair of Pension Board**

- 3.1 When the terms of reference for the Pension Board were revised in 2023, it included the ability to appoint an Independent Chair. As discussed at the time a number of other LGPS funds have a paid independent expert in place to chair the Pension Board. Anecdotally this has benefitted the Board in terms of supporting members in adding experience and knowledge to help them perform the role even more effectively.
- 3.2 Officers have undertaken research across the LGPS to support a Job Description for this role, and also to ascertain the appropriate level of compensation for the role.
- 3.3 A draft Job Description is attached as an Appendix to this report which will be finalised after the meeting and the role advertised.
- 3.4 It is proposed to involve a members of the Board and Chair of the Pension Committee in the interview process. Officers will request a volunteer at the meeting.
- 3.5 The timetable proposed for the recruitment process is:

#### **Timetable**

Deadline for applications: 26 September 2025

Interviews (via Microsoft Teams): week commencing 13 October 2025

Panel to consist of Chair of Pension Fund Committee, member of the Pension Board, Head of Pensions and Treasury and Senior Pensions Programme Manager

First meeting of Pension Board as Chair: 25 November 2025

### **4. Board Action Log**

- 4.1 It has become the practice to record the actions arising from previous meetings of the Board and keep track of the position for future meetings. The list is refreshed every financial year, and as this meeting is the first meeting of the Board in 2025/26, the log is currently blank. After this meeting the log will be resurrected and refreshed to include items arising from this meeting.

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**Nick Buckland**  
**Head of Pensions and Treasury**  
**Kent Pension Fund**

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September 2025

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## Kent Pension Fund

### *Independent Chair of the Local Pension Board*

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**Directorate:** Chief Executive's Department

**Division/Section:** Finance / Pensions and Treasury

**Location:** Invicta House, Maidstone

#### **Purpose of the Job:**

The role of the Independent Chair is to provide leadership and direction to the Kent Pension Fund Local Pension Board (the Pension Board). The Chair's role is to enable the Pension Board to fulfil its responsibilities in respect of the governance of the Kent County Council Pension Scheme in accordance with the Public Service Pension Scheme Act 2013<sup>1</sup> (PSPA13), legislation governing the Local Government Pension Scheme (LGPS), and the Code of Practice<sup>2</sup> issued by the Pension Regulator. The Chair will work closely in partnership with the Head of Service and will be expected to use any specific skills, knowledge, or experience to help the pension board reach sound recommendations. This will involve scrutinising board papers, leading discussions, focusing on key issues, and providing advice and guidance requested by the board on which the Chair has special expertise.

#### **Main duties and responsibilities:**

- providing leadership for the pension board in their role of setting the strategy and policy of the pension board
- chairing and facilitating the board meetings, ensuring that all voices and opinions are heard and judging when consensus is reached
- monitoring that recommendations made at board meetings are implemented
- reviewing and appraising the performance of the pension board
- to receive timely advice on best practice on all new developments relevant to the LGPS and pensions in general and ensure their compliance as appropriate
- ensuring that the board's reporting requirements are met including for example to the Pensions Regulator and the Scheme Advisory Board
- balancing the views and needs of the participating employers and the scheme members
- providing leadership for the Kent Pension Fund in their role of setting the strategy and policy of the board
- liaising with the Head of Pensions and Treasury and other senior staff members to keep an overview of Kent Pension Fund's affairs and to provide support as appropriate
- ensuring that the appropriate equality and diversity rules are adhered to.

## **About you:**

You will be expected to have:

- In depth knowledge and experience of governance or management of work-based pension schemes and the regulatory bodies involved.
- A good knowledge of the Local Government Pension Scheme.
- Prior experience of committee/trustee work.
- Knowledge of the laws relating to pensions.

## **Appointment Process:**

Applications are invited in the form of a CV with an enclosed letter explaining your suitability for the role. Applications should be sent to [XXXXX@kent.gov.uk](mailto:XXXXX@kent.gov.uk)

### **Timetable**

Deadline for applications: 26 September 2025

Interviews (via Microsoft Teams): week commencing 13 October 2025

Panel to consist of Chair of Pension Fund Committee, member of the Pension Board, Head of Pensions and Treasury and Senior Pensions Programme Manager

First meeting of Pension Board as Chair: 25 November 2025

## **Term of Office:**

The Chair is appointed for a three-year term and will be eligible to serve a maximum of two terms.

## **Conflicts of Interest:**

The appointed Independent Chair must have no pre-existing employment, financial or other material interest in either the Administering Authority or any scheme employer in a fund or funds administered by the Administering Authority or would not be a scheme member of the LGPS in a fund administered by the Administering Authority.

## **Remuneration:**

The successful applicant will be expected to attend four in-person meetings of the Board per annum and be available for briefing sessions with Officers and training as and when required. It is anticipated the time requirement may be up to 10 days per annum. An annual allowance of £10,000, plus reasonable travel expenses will be payable to the successful candidate.



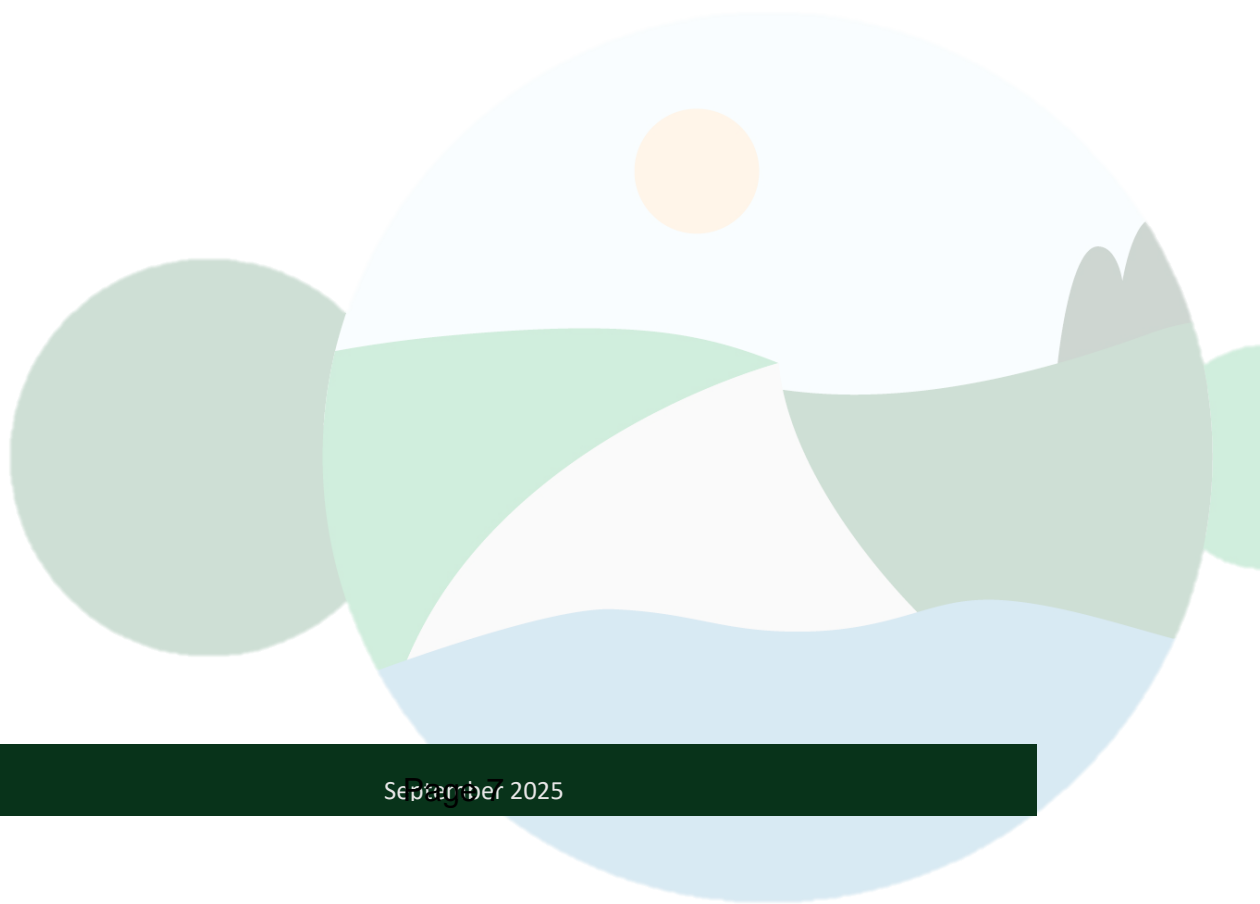


**Kent Pension Fund**  
*Delivering an outstanding service*

**KENT COUNTY COUNCIL**

**ADMINISTERING AUTHORITY FOR KENT PENSION FUND**

**THREE YEAR BUSINESS PLAN 2025/26 – 2027/28**



## CONTENTS

Introduction .....	3
Background to the Kent Pension Fund .....	4
Governance and Management of the Fund.....	4
The Pension Fund Management Team .....	4
Vision and Long-term Plan .....	5
Key aims and objectives.....	5
Governance.....	5
Funding and Investments .....	6
Administration .....	6
Business as usual .....	8
Governance.....	8
Funding and Investment .....	9
Administration .....	10
Three-year Business Plan .....	11
Achievements 2024-2025 .....	11
Key tasks for 2025/26 – 2027/28.....	12
Governance .....	12
Investment and Funding.....	12
Administration.....	13
Delivering the Business Plan .....	14
Pension Fund Budget – 2025-26 to 2027-28 .....	14
Monitoring and Reporting .....	14



## INTRODUCTION

This is the business plan for the Kent Pension Fund (KPF), which is managed and administered by Kent County Council. The business plan details our priorities and areas of key focus in relation to the KPF for 2025/26, 2026/27 and 2027/28. The business plan is formally reviewed and agreed each financial year. However, throughout the year it is monitored, and the PFC may be asked to agree to changes to it.

The purpose of the business plan is to:

- explain the background to and objectives for the management of the KPF document the priorities and improvements to be implemented by the pension service during the next three years to help achieve those objectives.
- Enable progress and performance to be monitored in relation to those priorities.
- provide all key stakeholders with a clear vision for the next three years.

In addition, this business plan includes a budget for expected payments to and from the KPF including the resources required to manage the Fund.

Significant change is on the horizon for the Fund, as draft proposals for Local Government Re-organisation gather pace and the Fund undergoes changes to its investment pooling arrangements. As further details become available, the Fund will continue to take an agile and pragmatic approach to secure the best interests for scheme members.

If you require further information about anything in or related to this business plan, please contact:

Nick Buckland, Head of Pensions and Treasury, Kent County Council

E-mail – [nick.buckland@kent.gov.uk](mailto:nick.buckland@kent.gov.uk)

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## BACKGROUND TO THE KENT PENSION FUND

The Kent Pension Fund ("KPF") is an £8.4 Billion (as at 31 March 2025) Local Government Pension Fund which provides retirement benefits for local government employees (other than teachers, police officers, and firefighters) in Kent and employees of other qualifying bodies which provide similar services, operating under the Local Government Pension Scheme ("LGPS") regulations.

Total Fund membership is 179,929 with 55,713 active contributors from 605 contributing employers, 52,536 pensioner and dependant pensioner members, and 71,680 deferred and other.

## GOVERNANCE AND MANAGEMENT OF THE FUND

All decision-making and management of the Fund has been delegated by Kent County Council ("the Council") to a formal Pension Fund Committee ("PFC"). The terms of reference and membership of the PFC can be viewed here: <https://democracy.kent.gov.uk/mgCommitteeDetails.aspx?ID=128>

A Local Pension Board (LPB) is in place to assist in:

- securing compliance of Fund matters and
- ensuring the efficient and effective governance and administration of the Fund.

## THE PENSION FUND MANAGEMENT TEAM

The Corporate Director of Finance has overall responsibility for the operation of the Fund, and delegates responsibility for managing all aspects of the Fund to the Head of Pensions and Treasury supported by the Pension Fund and Treasury Investments Manager, the Pensions Administration Manager, and the Senior Pensions Programme Manager. There are two distinct sections within the team:

- The Pensions Administration Section which is responsible for delivering the Fund's Administration and Communications Strategies. It is headed by the Pension Administration Manager.
- The Treasury and Investments Section is responsible for delivering the Fund's Investment and Funding Strategies, as well as accounting matters. It also has responsibility for supporting the Head of Pensions and Treasury in ensuring all employer governance matters are delivered. The team also has responsibility for Treasury Management for the Fund, and Kent County Council. It is headed by the Pension Fund and Treasury Investments Manager.

In addition to these areas of focus, the Senior Pensions Programme Manager works with a small Projects Team. The Projects Team support all aspects of the Fund providing effective programme oversight as well as project management, governance and forward planning. The team enables continuous business improvement through utilising digital and technological development and leads business management initiatives to improve the Fund's resilience by identifying and managing risk.

More information about the Fund's day-to-day responsibilities are documented later in this Plan in the "Business as Usual" pages.



## VISION AND LONG-TERM PLAN

The purpose of the KPF Business Plan is to set out the Fund's vision, goals, culture, improvement plan and actions for the current and future years, and a longer-term strategic direction.

The KPF is looking forward to developing its service to provide an excellent service to all of its key stakeholders, and the plan sets out how we will do this.

This updated plan builds on the previous versions, the latest having been agreed by the PFC at the meeting on 26 March 2024.

The Fund's focus needs to be firmly set on achieving outcomes for our customers, i.e., the scheme employers and members. Everything that we do needs to keep this in mind, and decisions need to be made with an eye to the end goal of delivering an outstanding service, as set out in the Fund's vision:

### **Our Vision is to deliver an outstanding and “best in class” service to our members and employers.**

Everyone's role in the team either directly contributes to the vision or creates the foundations and environment which make it possible. We will measure success against the vision by monitoring our progress against various service related KPIs, targets, and actions.

This document will be reviewed regularly and revised annually. The Strategic vision and overall goals will also be developed over time and will be included in future versions of the document.

## KEY AIMS AND OBJECTIVES

The key actions and areas of focus in our business plan (as shown in the appendix) are grouped into the areas of Governance, Funding and Investments and Administration to align with the key aims and objectives of these strategies and policies. These aims and objectives are summarised below.

### GOVERNANCE

- Act in the best interests of the Fund's members and employers, leading the way in the LGPS.
- Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies, and strategies.
- Ensure the Kent Pension Fund is managed, and its services delivered, by people who have the appropriate knowledge and expertise.
- Act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based.
- Identify and deliver suitable projects as per programme, which encompass Continual Improvement and support the delivery of activity in Funding & Investments and Pensions Administration.
- Promote the successes and achievements of the Fund internally and externally, including through use of digital media.



## FUNDING AND INVESTMENTS

- Achieve and maintain KPF assets equal to 100% of liabilities, whilst remaining within reasonable risk parameters.
- Determine employer contribution requirements, whilst recognising the constraints on affordability and strength of employer covenant, with the aim being to maintain as stable employer primary contributions as possible.
- Recognising the constraints on affordability for employers, aim for sufficient excess investment returns relative to the growth of liabilities.
- Strike the appropriate balance between long-term consistent investment performance and the funding objectives.
- Manage employers' liabilities effectively through the adoption of employer specific funding objectives.
- Ensure net cash outgoings can be met as/when required.
- Be a responsible investor and a good long-term steward of the assets in which the Fund invests in order to deliver long-term sustainable returns. Achieve a 15% target allocation to sustainable investment assets by 2030.
- Achieve net zero carbon emissions in the investment portfolio by 2050 alongside interim emission reduction goals consistent with the latest science to limit global warming to 1.5 degrees.
- Work with colleagues in the ACCESS pool <https://www.accesspool.org/> to develop opportunities so that it is the first choice for investing the Fund's assets subject to it being able to meet the requirements of the Fund's investment strategy and objectives (including environmental, social and governance requirements), within acceptable long-term costs to deliver the expected benefits and subject to ongoing confidence in the governance of the partnership.

## ADMINISTRATION

- To pay the right benefits, to the right members, at the right time.
- To collect income as necessary from external parties.
- To maintain a robust and effective Administration Strategy and ensure that all those involved with delivering under the strategy feel supported to fulfil their roles and responsibilities.
- To effectively measure the performance of the pensions administration team and scheme employers in order to deliver the highest possible standard of service to scheme members.
- To ensure appropriate, clear, and meaningful performance data is provided to the LPB and PFC to support them in their remit in scrutinising the management of the KPF.



- To build strong relationships with scheme employers and support them in fulfilling their statutory obligations under the LGPS.
- To build strong relationships with other external parties that may be involved with or support the delivery of the LGPS to KPF members including but not limited to the PFC and LPB.
- To ensure the KPF maintains the highest level of data integrity and that all data is handled with due consideration given to data processing legislation.
- To communicate with and support scheme members so that they have easy access to their pension information and have a clear understanding of their pension in order for them to make informed decision.
- To ensure that any breaches of Regulations/legislation are reported to the necessary parties in a timely manner.
- To monitor all complaints, compliments and comments and use these as a learning tool to improve the service delivery.



## BUSINESS AS USUAL

Later in this business plan we highlight our key priorities for the next three financial years. This focusses on areas of change and project-like tasks which are in addition to our day to day “business as usual” duties.

Managing the Fund on a day-to-day basis involves a wide range of processes and procedures, some of which are outlined below and all of which have been designed around achieving our Fund’s objectives as outlined in our strategies and policies. The management of the KPF is significant, complex, and highly regulated. As such, these processes and procedures require expert knowledge and experience from both officers and external advisors in several diverse areas as illustrated below.

## GOVERNANCE

Theme	Sub-theme	Timetable	Action
<b>Governance</b>	Financial Control	Annual	Prepare annual accounts and annual report in compliance with CIPFA requirements
<b>Governance</b>	Financial Control	Annual	Preparing and monitoring the Pension Fund's budget and cashflow
<b>Governance</b>	Financial Control	Ongoing	Assist internal and external auditors in their role and responding to comments as appropriate
<b>Governance</b>	Financial Control	Ongoing	Undertake regular benchmarking of the Fund to review progress, and to deliver continuous improvement
<b>Governance</b>	Committee and Board	Ongoing	Set agenda, reporting and presentation to PFC, LPB and working groups
<b>Governance</b>	Committee and Board	Ongoing	Support Chairperson in role on the ACCESS Joint Committee
<b>Governance</b>	Committee and Board	Ongoing	Participate in ACCESS officer groups (Section151, Officer Working Group (OWG), various sub-groups)
<b>Governance</b>	Committee and Board	Ongoing	Report on ACCESS progress on a quarterly basis to the PFC and LPB
<b>Governance</b>	Compliance	Ongoing	Develop and maintain training plan for PFC and LPB Members
<b>Governance</b>	Compliance	Ongoing	Keep all KPF policies up to date
<b>Governance</b>	Operational Control	Ongoing	Regular review of work allocation, capacity planning and succession planning
<b>Governance</b>	Operational Control	Ongoing	Support, enable and embed Continuous Improvement through the delivery of specific operational projects
<b>Governance</b>	Operational Control	Ongoing	Establish, maintain, and test business continuity arrangements/plans, putting in place suitable adjustments where business cases agreed.





<b>Governance</b>	Operational Control	Ongoing	Implementing and monitoring the achievement of other governance areas such as training policy, conflict of interest policy, risk register, and compliance against The Pension Regulator's Code of Practice
<b>Governance</b>	Compliance	Ongoing	Compliance with KCC policy and law regarding procurement, data protection and health and safety
<b>Governance</b>	Compliance	Ongoing	Reply to Freedom of Information (FOI) requests
<b>Governance</b>	Compliance	Ongoing	Respond to consultations and regulatory developments
<b>Governance</b>	Compliance	Ongoing	Preparation of statutory and non-statutory returns
<b>Governance</b>	Compliance	Ongoing	Cyber Security maintenance, review and reporting
<b>Governance</b>	Continuous Improvement	Ongoing	Establish, develop and maintain a Fund employer database.
<b>Governance</b>	Continuous Improvement	Ongoing	Pro-active communication of the Fund's activities and successes through the use of Social Media, and other digital communication methods.

## FUNDING AND INVESTMENT

Theme	Sub-theme	Timetable	Action
<b>Funding</b>	Employer governance	Ongoing	Monitor employers' funding positions and covenants
<b>Funding</b>	Employer governance	Ongoing	Facilitating employer events (admissions, cessations etc.) effectively
<b>Funding</b>	Employer governance	Ongoing	Support the provision of International Accounting Standards (IAS)19/Financial Reporting Standards (FRS)102 reporting for employers via submission of data to the Fund actuary
<b>Funding</b>	Additional Voluntary Contributions (AVC's)	Ongoing	Review AVC provision on a regular basis
<b>Investment</b>	Asset pooling	Ongoing	Ongoing pooling of investment assets
<b>Investment</b>	Asset pooling	Ongoing	Support/manage/monitor/contribute to ACCESS project
<b>Investment</b>	Monitoring	Ongoing	Monitor asset allocation and manage rebalancing in alignment with the Fund's investment strategy
<b>Investment</b>	Monitoring	Ongoing	Review performance and continuing suitability of risk management programme
<b>Investment</b>	Monitoring	Ongoing	Ongoing monitoring and management of investment performance
<b>Investment</b>	Monitoring	Ongoing	Appoint/monitor/terminate fund managers including within a pooling environment



<b>Investment</b>	Monitoring	Ongoing	Ensure investment costs are fully disclosed in line with Cost Transparency Initiative (CTI)
<b>Investment</b>	Responsible investment	Ongoing	Continue to develop and implement the Fund's responsible investment approach
<b>Investment</b>	Responsible investment	Ongoing	Implement the Fund's net zero commitment
<b>Investments</b>	Responsible investment	Ongoing	Continue to develop responsible investment approach and implement the Fund's net zero commitment
<b>Investments</b>	Responsible investment	Ongoing	Develop approach to Impact investing and reporting

## ADMINISTRATION

Theme	Sub-theme	Timetable	Action
<b>Administration</b>	Governance	Ongoing	Ensure that all complaints are dealt with in a timely manner
<b>Administration</b>	Governance	Ongoing	Ensure processes are implemented to comply with ongoing McCloud Remedy requirements
<b>Administration</b>	Governance	Ongoing	Develop and adopt processes to ensure maintenance, accuracy, robustness and completeness of member data
<b>Administration</b>	Governance	Ongoing	Deliver a Data Improvement Plan
<b>Administration</b>	Governance	Ongoing	Deliver a Service Improvement Plan
<b>Administration</b>	Reporting	Ongoing	Produce quarterly administration performance reports for the LPB
<b>Administration</b>	Reporting	Ongoing	Monitor and report against the <a href="#">Administration Strategy</a>
<b>Administration</b>	Communication	Ongoing	Review and refresh the content of the KPF website to ensure it is compliant and fit for purpose
<b>Administration</b>	Communication	Ongoing	Produce newsletters for members and employers
<b>Administration</b>	Communication	Ongoing	Ensure annual Pensions increase is applied in a timely manner
<b>Administration</b>	Communication	Ongoing	Annual existence checks on pensioners
<b>Administration</b>	Communication	Ongoing	Timely production of Annual Benefit Statements for Active and Deferred members
<b>Administration</b>	Communication	Ongoing	Timely production of Pension Saving Statements for members who exceed the Annual Allowance
<b>Administration</b>	Communication	Ongoing	Communicate any scheme changes to PFC LPB, members, and employers as appropriate



<b>Administration</b>	Communication	Ongoing	Arrange Employer Forum and receive and respond to feedback from employers
<b>Administration</b>	Communication	Ongoing	Continue to develop and deliver training programmes for Kent Pension Fund team members, Scheme Members and Scheme Employers
<b>Administration</b>	Communication	Ongoing	Develop and deliver Fund surveys to capture feedback from all stakeholders in order to inform the future improvement of the service
<b>Administration</b>	Communications	Ongoing	Promote digital offering to members and employers including but not limited to member and employer self-service

## THREE-YEAR BUSINESS PLAN

### ACHIEVEMENTS 2024-2025

Before considering the key tasks for the forthcoming three years it is important to reflect on the successes of the Fund over the previous two years. The schedule below is by no means an exhaustive list but is designed to demonstrate and celebrate the work of the wider Kent Pension Fund team in the financial year 2024-25.

In addition to the Business-as-Usual activity a few highlights include:

- Updated the Fund's Investment strategy and carried out review and implementation of the strategic asset class and inter asset class allocations
- Implementation of Enhanced Admin to Pay further automating the pensioner payroll process
- Upgrading of member self-service portal, including enhanced security features
- Fully implemented telephony solution to improve customer call experience
- Implemented regulatory change relating the Abolition of the Lifetime Allowance
- Developed approach to stakeholder communication and engagement
- Procurement of supplier to support with backlog clearance
- Procurement of Actuary
- Further developed approach to climate risks and opportunities with Net Zero Commitment for the Fund's investments established
- Investment strategy reviewed, strategic asset allocation updated, and implementation commenced



## KEY TASKS FOR 2025/26 – 2027/28

The Fund has many ongoing pieces of work, and also some key tasks for the forthcoming years, the tables below are grouped into the areas of Governance, Funding and Investments and Administration to align with the key aims and objectives of these strategies and policies.

### GOVERNANCE

Action	2025/26	2026/27	2027/28
Implement recommendations of Scheme Advisory Board's (SAB) Good Governance review as per LGPS pooling guidance consultation outcome and 2024 tPR General code	X		
Support the Pension Fund Committee and Kent County Council in decision making to meet Government's Fit for Future pooling requirements	X		
Support the onboarding and training of new members of the PFC and PB following Council elections	X		
Ensure smooth transition of accounting processes (including payroll) to KCC's new Oracle Cloud system	X	X	
Undertake activity related to local authority re-organisation	X	X	X

### INVESTMENT AND FUNDING

Action	2025/26	2026/27	2027/28
Prepare for and deliver Actuarial Valuation – with Fund's Actuary – Date of Valuation 31-03-2025	X		
Update Funding Strategy Statement following the results of the Triennial Actuarial valuation of the Fund's liabilities and funding position		X	
Determine <a href="#">Funding Strategy Statement</a> with actuary for three years – consulting with employers		X	
Consult on and implement pooling of Parish Councils' pensions liabilities and funding		X	X
Development and implementation of the LGPS Manage and employer database	X		
Review, revise and update the <a href="#">Investment Strategy Statement</a>		X	
Implement Committee decision regarding pooling following governments Fit for Future pooling guidance	X		
Review investment strategy, including risk management framework	X	X	



Implement changes to investment strategy and review intra asset class portfolio construction		X
Develop annual stewardship reporting	X	X
Become Signatory to UK Stewardship Code		X
Develop approach to and deliver first Taskforce for Climate-related Financial Disclosures (TCFD) report		X

## ADMINISTRATION

Action	2025/26	2026/27	2027/28
Develop a Data Improvement Plan	X	X	X
Develop a robust Performance Dashboard	X		
Develop a Service Improvement Plan	X	X	X
Deliver McCloud project – historic Underpin cases	X	X	
Plan for and deliver Pensions Dashboard project – including data cleansing and clearance of historic casework	X	X	
Clear historic casework in an efficient and effective way (target end date = 31 March 2028)	X	X	X
Ensure that the impact of KCC moving to the Oracle Cloud system is considered and managed effectively	X	X	
Support the Actuary in completing the 31 March 2025 Triennial Valuation	X	X	
Procurement of Administration system	X	X	
Prepare for and deliver anticipated regulatory changes including but not limited to:			
▪ Goodwin – equalisation of survivor benefits – implement outcomes	X	X	X
▪ Removal of upper age limit (75) for payment of Death Grants	X	X	X
▪ Minimum Pensions Age change	X	X	X
▪ Removal of 5-year payment of refund limit (for post 2014 leavers)			



	2025-26 Budget	2026-27 Budget	2027-28 Budget
Financial management actuals overhead allocation	520,000	520,000	520,000
Financial Systems and services	64,700	64,700	64,700
IT Expenses	1,169,853	1,169,853	1,169,853
Pensions Administration Costs	3,582,285	3,689,754	3,800,446
Printing and Mailing costs- Adare	200,000	175,000	150,000
Data Rectification Project	2,011,996	1,755,663	559,998
Pension Payroll Services	270,442	270,442	270,442
<b>Administration Expenses</b>	<b>7,819,276</b>	<b>7,645,412</b>	<b>6,535,439</b>
Audit Fee	121,429	121,429	121,429
<b>Audit Fee</b>	<b>121,429</b>	<b>121,429</b>	<b>121,429</b>
Actuarial Fee	471,260	388,310	399,959
Investment Consultancy	261,967	269,826	277,921
Legal Fees	69,766	71,869	74,025
Governance Consultancy	15,000	15,000	15,000
Cyber Security	2,000	2,000	2,000
Direct Recovery of actuary, legal fees and admin costs	-327,397	-295,116	-303,969
Pooling Advice	2,000,000	-	-
<b>External Advice</b>	<b>2,492,606</b>	<b>451,889</b>	<b>464,936</b>
Investment Accounting and Governance costs	1,039,731	1,070,923	1,103,051
Subscriptions	97,643	100,573	103,590
Training	33,176	34,171	35,196
ACCESS Pooling Costs	302,492	-	-
Performance Measurement Fees	44,998	46,348	47,739
<b>Governance and Oversight Expenses</b>	<b>1,518,040</b>	<b>1,252,015</b>	<b>1,289,576</b>
Fund Manager Fees	31,145,722	31,145,722	31,145,722
Custody	47,358	47,358	47,358
Transaction Costs	2,707,788	2,707,788	2,707,788
<b>Investment Management Costs</b>	<b>33,900,868</b>	<b>33,900,868</b>	<b>33,900,868</b>
<b>Total</b>	<b>45,852,219</b>	<b>43,371,613</b>	<b>42,312,248</b>



## MONITORING AND REPORTING

In order to identify whether we are meeting our agreed business plan we will:

- Continue to monitor progress of the key priorities and budgets on an ongoing basis within the Pension Fund Management Team.
- Provide updates on progress against these key priorities on a quarterly basis to the PFC, which will be shared with the LPB.
- As part of these quarterly updates:
- Highlight any areas where we are exceeding or failing to achieve our targets and the reasons why and identify any changes to the planned priorities as a result of this.
- Highlight any significant additional spend or underspend in relation to the agreed budget as it becomes apparent.



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