AGENDA

PENSION BOARD

Wednesday, 25th November, 2026, at 2.00 pm Ask for: **James Clapson**

Council Chamber, Sessions House, County Hall, Maidstone Telephone **03000 417 387**

Membership

Scheme Employer Representatives (4)

Kent County Council (2)	Mr P Chamberlain and Mr M Fraser Moat
District/Medway Council (1)	Cllr R Carnac
Police/Fire & Rescue (1)	Mr B Fullbrook

Scheme Member Representatives (4)

Active Scheme Member Representative	Ms K King, Kent County Council
Active Scheme Member Representative	Mr J Parsons, Medway Council (Vice-Chair)
Pensioner Representatives	Mrs A Mings and Mr G Ward
Independent Member (1)	Mr M Trebilcock (Chair)

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

1. Apologies and Substitutes

2. Declarations of Interest

3. Minutes of the meeting held on 3.9.2026 (Pages 1 - 8)

4. Date of next meeting

The next meeting of the board will be held on 2.3.2027, commencing at 10.00 am.

5. Pension Fund Committee Update

6. Action Log and Work Programme (Pages 9 - 14)

7. Pensions Service Delivery - Operations Team Update (Pages 15 - 36)

8. Pensions Service Delivery - Engagement & Systems and Technical & Training Update (Pages 37 - 42)

9. Investments Update (Pages 43 - 66)

10. Fund Governance (Pages 67 - 140)

11. Employer Governance Matters (Pages 141 - 148)

12. Annual Report and Accounts Update (Pages 149 - 270)

Motion to exclude the press and public for exempt business

That, under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of the Act.

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

EXEMPT ITEMS

(During these items the meeting is likely NOT to be open to the press and public)

13. Projects (Pages 271 - 274)

14. Local Government Reorganisation

15. Risk Register (Pages 275 - 320)

Tuesday, 17 November 2026

KENT COUNTY COUNCIL

PENSION BOARD

MINUTES of a meeting of the Pension Board held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 3 September 2026.

PRESENT: Mr M Trebilcock (Chairman), Mr P Chamberlain, Mr B Fullbrook, Mr M Fraser Moat, Ms K King, Mrs A Mings and Mr J Parsons

IN ATTENDANCE: Mr N Buckland (Head of Pensions and Treasury), Mrs C Chambers (Head of Pensions Administration), Mrs E Green (Senior Governance and Programme Manager), Mr C Steensel (Investments Accountant), Ms S Surana (Pensions and Treasury Investments Manager), Mrs J Steggles (Performance and Operations Lead Manager) Mr S Tagg (Employers' Governance, Compliance and Funding Principal Accountant) and Mr J Clapson (Democratic Services Officer).

UNRESTRICTED ITEMS

60. Apologies and Substitutes
(Item 1)

Apologies were received from Cllr Carnac.

61. Declarations of Interest by Board members on items on the agenda for this meeting
(Item 2)

There were no declarations of interest.

62. Minutes of the meeting held on 4 June 2026
(Item 3)

RESOLVED that the minutes of the meeting held on 4 June 2026 are correctly recorded and that they be signed by the Chairman as a correct record.

63. Date of next meeting
(Item 4)

It was noted that the next meeting of the Board is scheduled to be held on 16 December 2026.

64. Pension Fund Committee Update
(Item 5)

1. Mr Buckland introduced the item and advised that at the last meeting, the Committee considered a number of items, including:
   a. Appointment of an Independent Person. The Committee approved the process to make the appointment by the end of the year.

b. An investments update, during which the Committee agreed to approve the approach taken to review the Strategic Asset Allocation, and to approve initial commitments to Borders to Coast Private Equity and Infrastructure 2026 ‘Series 3b’ propositions.

c. The potential impact of Local Government Reorganisation on the Fund. Following a thorough debate the Committee agreed to approve further detailed assessment of the options for consideration at a future meeting of the Committee.

2. RESOLVED to note the update.

65. Forward Plan and Action Log
(Item 6)

1. Mr Buckland introduced the item and covered the following points:

   a. This item had been reinstated on to the agenda and would be regularly included at future meetings.

   b. Appendix one indicated the items that were expected to be considered at future meetings, and appendix two listed the actions arising from meetings in order to track their progress.

2. RESOLVED to note the Forward Plan and Action Log.

66. Pensions Service Delivery Updates
(Item 7)

1. Mrs Chambers introduced the report and provided an overview of service delivery performance during Quarter 1 of 2026/27, covering the following points:
   a. The title was changed from “Pensions Administration” to “Pensions Service Delivery” to better reflect the breadth and depth of work undertaken across the service.
   b. The overall performance during Quarter 1 remained strong, despite a number of operational challenges including the system blackout for the McCloud data load, and the implementation of recent regulatory reforms.
   c. All Annual Benefit Statements had been published and distributed by 31 August 2026, and they included a McCloud remedy calculation where appropriate.

2. During consideration of the item, the following points were discussed:
   a. The Board commended the Team for the significant effort involved in successfully issuing the Annual Benefit Statements. The Board recognised this as a substantial and complex piece of work.
   b. Board members had received anecdotal positive feedback regarding the quality of the service provided by the Team.
   c. It was not yet possible to quantify the overall cost of the McCloud remedy on the Fund. Once recalculations and arrears payments had been completed, officers would be in a position to report the impact to the Board.

d. Officers were considering approaches to address the backlog including the creation of an internal team to focus on simpler cases while retaining the outsourced provider for more complex work.
e. The Board requested that future reports include information on recovery trajectories to resolve the back log. This would enable progress to be monitored and allow the Board to provide support where appropriate.

3. RESOLVED to note the report.

67. Investments Update
(Item 8)

1. The item was introduced by Mr Steensel, who covered the following points:
   a. The value of the Fund had increased to almost £10 billion as at 30 June 2026.
   b. The Fund delivered a return of 5.9% during the quarter. The markets had recovered strongly following volatility arising from the conflict in the Middle East.
   c. Members were advised of a correction to the asset allocation table within the report. Fixed income was underweight relative to the strategic allocation. However, no rebalancing was proposed at this stage due to the ongoing Investment Strategy Review and the transition to Border to Coast Pension Partnership (BCPP).

2. Mrs Surana provided an update on the Investment Strategy and pooling arrangements, including the following:
   a. The key components of the Fund's investment strategy had remained broadly consistent. However, changes were required to meet the Government's Fit for the Future reforms.
   b. Under the new arrangements, responsibility for implementing investment strategies would sit with the Pool. An Investment Policy Statement was being developed to guide the Pool on the Fund's investment beliefs and principles.
   c. The Fund's Responsible Investment (RI) approach would need to evolve over time because Government guidance indicated that pools were required to adopt an aligned approach to RI for the partner funds.
   d. A new requirement within the ISS was the inclusion of a target for local investment. Clarification was still required regarding the definition of local investment, particularly given the impact of Local Government Reorganisation. No specific commitments in relation to local investment had been made at this stage.
   e. The Fund had sought independent investment advice from Mercer and was working closely with BCPP to ensure that any proposed strategy would be capable of implementation by the Pool.
   f. The draft ISS would be presented to the Pension Fund Committee in September 2026. Subject to the Committee's approval, there would be a four-week consultation period, after which responses would be considered and a final version brought back to the Committee in December 2026. Board members were encouraged to provide comments and feedback as part of the consultation process.

g. The Investment Management Agreement (IMA) with Border to Coast had been signed, formally establishing the relationship between the Fund and the Pool.
h. The revised ACCESS Inter-Authority Agreement had been signed and set out the arrangements for the orderly winding down of the ACCESS Pool.
i. Border to Coast was developing advisory, governance and investment implementation services to meet the latest pooling requirements. Partner Funds were also working collectively on oversight frameworks to ensure appropriate scrutiny and accountability arrangements were in place.
j. The RI Policy had not been amended as part of the ISS review process. The existing policy was considered consistent with the ethos and direction of the Pool.

3. During consideration of the item, the following points were discussed:
   a. The Pool would be required to implement the strategy approved by the Fund, although it would have discretion regarding implementation decisions. BCPP operated a “no surprises” approach and would continue to engage closely with the Fund.
   b. BCPP would act as the asset manager, and external investment managers could be appointed by the Pool where appropriate.
   c. Where possible, assets would be transferred into equivalent investment structures to minimise transition costs. Many private market and infrastructure investments would be allowed to mature naturally. It was hoped that Government would help mitigate some of the property investment transaction costs though the reduction or removal of stamp duty.
   d. One of the actions on the Board’s work programme was to monitor the costs associated with transition activity.
   e. The approach being followed by the Fund was broadly consistent with that being adopted by other LGPS funds. The Pool needed to understand and implement the strategic requirements of its partner funds.
   f. The Chair offered to prepare a collective response to the ISS consultation on behalf of the Board. A draft response would be circulated to Board members to gather their views, and an update would be considered at the December meeting. Members were also reminded that they could submit individual responses to the consultation if they wished.

4. RESOLVED to note the report.

68. Fund Governance
(Item 9)

1. Mrs Green introduced the report and highlighted the following matters:
   a. The current budget forecast indicated a slight overspend, the budget would continue to be closely monitored, and updates would be reported to future meetings of the Board.
   b. The McCloud remedy remained an area requiring ongoing oversight due to the scale and complexity of the work involved.
   c. Interviews for the Independent Person role were due to take place during the following week. The Fund had received a high number of applications. Work

was also underway to develop the Senior LGPS Officer role and its associated responsibilities ahead of the 31 December deadline.

d. The Fund's external audit review was progressing and the Audit Findings Report would be considered by the Governance and Audit Committee in due course.

2. During consideration of the item, the following points were discussed:
   a. Regulations required the Fund to maintain a Pension Board. The Board added value by providing a layer of scrutiny and challenge. However, the existing governance arrangements could be reviewed as part of the Local Government Reorganisation process.
   b. The Board should always meet before the Pension Fund Committee so that the Committee could take account of the Board's views when making decisions.
   c. Officers were working closely with Democratic Services and Legal Services to ensure that the required constitutional and governance changes would be complete in time to have a Senior LGPS Officer in post by the statutory deadline.

3. RESOLVED to note the report.

69. Employer Governance Matters
(Item 10)

1. Mr Tagg introduced the report and highlighted the key employer governance matters for the quarter ending 30 June 2026. He advised that the decisions detailed in Appendix One had been made by the Head of Pensions and Treasury under the Committee's delegated authority.

2. During consideration of the item, the following points were discussed:
   a. No new employing bodies were created as a result of councillors joining the Scheme because they became active members through their host authority.
   b. 27 councillors had joined the Scheme since the introduction of the new arrangements.
   c. Members sought assurance that the employer responsible for several delayed payments understood its obligations. Officers had been in contact with the provider concerned and were satisfied that no ongoing concern had been identified.

3. RESOLVED to note the report.

Motion to Exclude the Press and Public

RESOLVED that the Press and Public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(Open access minutes)

70. Projects Update

(Item 11)

1. Mrs Green introduced the report and provided an update on key projects being delivered across the Fund, including the following:
   a. A number of technology developments continued to progress, including work associated with the implementation of new budget codes.
   b. Preparation for the introduction of the UK Pensions Dashboards Programme was ongoing, with current expectations indicating a go-live date during 2027/28.
   c. Cyber security activity remained a priority and no high-risk issues had been identified.
   d. The procurement process to replace the pensions administration system was underway.
   e. CEM had begun their benchmarking assessment which would provide an independent assessment of the Fund's performance, costs and operational arrangements.

2. During consideration of the item, the following points were discussed:
   a. The pensions administration system formed the core administration platform used to manage member records and ensure that pension benefits were calculated and paid correctly. The procurement exercise was required because the existing contract was due to expire.
   b. There was a relatively long period of time to integrate a new administration system, this placed the Fund in a strong position to complete the procurement and implementation process successfully.

3. RESOLVED to note the report.

71. Local Government Re-organisation

(Item 12)

1. Mrs Green provided an update on the implications of Local Government Reorganisation (LGR) for the Kent Pension Fund, including the following:
   a. MHCLG had announcement that Kent and Medway would be reorganised into four unitary authorities.
   b. The Fund's key objective was to ensure that there would be no adverse impact on service delivery to employers, members and pensioners throughout the transition process.
   c. Following the initial options appraisal, two options remained under active consideration and were being taken forward for more detailed assessment. The MHCLG had indicated support for the approach taken by the Fund to date.

2. During consideration of the item, the following points were discussed:
   a. The Board had considered the matter at its previous meeting and had indicated support for the further investigation of the two preferred options.

b. The analysis suggested there was relatively little difference in transition cost between the two preferred options. The key considerations were likely to centre on governance arrangements and how each option would ensure that the Fund continued to operate effectively.
c. The Government required proposals relating to the future LGR arrangements to be submitted by 15 February 2027.
d. Priority Action Groups had met recently and were supportive of the work underway by the Fund.
e. The Board agreed that it was appropriate for the October workshop to focus on the two preferred options and supported their continued assessment while further evidence was gathered.

3. RESOLVED to:
• Note the update on Local Government Reorganisation and its potential impact on the Kent Pension Fund.
• Support the continued assessment of the two preferred options identified through the options appraisal process, with further consideration to take place at the October 2026 workshop.

72. Risk Register
(Item 13)

1. Mrs Green introduced the report and provided an overview of the Fund's Risk Register, highlighting the following:
   a. The Risk Register currently contained 27 risks, comprising 19 green risks, 8 amber risks and no red risks.
   b. The four highest-rated risks remained unchanged, each carried a risk score of 9.
   c. The overall number of risks had reduced since the previous review. This was due to the consolidation of two existing risks into a single entry and the removal of a risk relating to pension payments.
   d. A number of individual risk scores had changed during the period. The investment strategy risk had increased, whilst risks relating to cyber security, key person dependency and the McCloud remedy had reduced.
   e. The Risk Register would continue to be reviewed and updated monthly.

2. RESOLVED to note the updated Risk Register.

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From: Chairman - Kent Pension Board
Corporate Director of Finance

To: Kent Pension Board – 25 November 2026

Subject: Board work programme and Action Log

Classification: Unrestricted

Summary:

To report on the Board work programme for the next four meetings and note updates on the action log from previous meetings.

Recommendation:

The Board is recommended to:

- note the work programme and action log

FOR INFORMATION

1. Board Work Programme

1.1 This report has been created to replicate the equivalent report presented to the Pension Fund Committee meeting at each meeting.

1.2 ***Appendix 1*** shows the work plans for the next four Board meetings.

1.3 This work programme is intended to inform the Board of the key items that will be considered at those meetings. This programme will be subject to change as issues arise, and updates will be brought to every meeting. Given the changing nature of the Fund work, in particular Governance changes, Local Government Reorganisation and asset pooling, the agendas will evolve to address the key issues of the day.

1.4 Members will know that the Fund has appointed Kevin MacDonald as Independent Person, and with this in place a meeting is being arranged with Kevin and Board and Committee chairs, and officers, as part of a review and refresh of agendas for Board and Committee. Once this has concluded in the first quarter of 2027, Board and Committee members will see the outcome and invited to comment.

Board Action Log

1.5 To ensure that questions asked at Committee meetings are appropriately recorded and responded to, the Fund maintains an Action Log, or actions that are not formal decisions, but need follow-up and resolving. The table at

Appendix 2 shows the actions from the last three meetings of the Board. This table will be updated throughout the year, with actions and responses.

Nick Buckland, Head of Pensions and Treasury

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November 2026

Appendix 1

Board workplan

	25 Nov 2026	**2 March 2027**	**8 June 2027**	**XX Sept 2027**
Work programme/Action Log	**Y**	**Y**	**Y**	**Y**
Update from the Pensions Fund Committee	**Y**	**Y**	**Y**	**Y**
Governance including: • Pension Fund Business plan and budget • Governance matters • Policy/strategies • Regulatory changes	**Y**	**Y**	**Y**	**Y**
Fund Employer matters	**Y**	**Y**	**Y**	**Y**
Pension Service Delivery update • Pensions Dashboard • KPI reporting	**Y**	**Y**	**Y**	**Y**
Training update	**Y**	**-**	**Y**	**-**
Local Government Reorganisation and KPF	**Y**	**Y**	**Y**	**Y**
Risk register update.	**Y**	**Y**	**Y**	**Y**
Investment Update • Strategy • Performance • Rebalancing • Pooling	**Y**	**Y**	**Y**	**Y**

Appendix 2

Pension Board Action Log

Date of Meeting	Action/Question	Outcome	Complete (Y/N)
~~25/11/2025~~	~~**Pension Administration** – request to include details of vacancies on Board papers~~	~~**Complete** - These are now reported to Board and Committee at every meeting~~	~~**Y**~~
25/11/2025	**Governance** – will the Fund share Dashboard statistics with Employers	**Work in Progress** – work on how best to do this	N
~~2/12/2025~~	~~**Governance** – Process for appointment of Independent Chair of Board requested~~	~~**Complete** - Chair formally appointed at June meeting of Board~~	~~**Y**~~
4/6/2026	**Investments** – Request to be updated on transition costs for moving to Border to Coast when known	**Ongoing** – formal transition has not yet commenced	N
4/6/2026	**LGR** – Board to be updated on work and progress toward conclusions	**Ongoing** – on todays and future agendas	**N**
~~4/6/2026~~	~~**Risk Register** – to present a summary of risk register with changes noted~~	~~**Complete** – on today's agenda~~	~~**Y**~~
3/9/2026	**Governance –** Process for appointment of LGPS Senior Officer requested	Ongoing – Officers will update members at meeting	N
3/9/2026	**Pension Service Delivery** – Backlog update requested to a future meeting	Ongoing – report will be presented in 2027	N
3/9/2026	**Pension Service Delivery** – Update on financial implications of McCloud requested	Ongoing – report will be prepared once work has concluded in 2027	N
3/9/2026	**Investment update –** Chair of Board to draft response to ISS consultation	**Complete** – Chair drafted, circulated and responded to consultation	**Y**
3/9/2026	**Fund Governance –** Request for Board meetings to occur before	**Complete –** 2026/27 meetings have been re-scheduled to follow this	**Y**

	Committee meetings	pattern. Future meetings will also be planned this way.	

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To:	**Kent Pension Board – 25 November 2026**
From:	**Chair – Kent Pension Board** **Corporate Director of Finance**
Subject:	**Pensions Service Delivery – Operations Team Update**
Classification:	**Unrestricted**

Purpose of the Report
This report provides the Pension Board with an overview of operational performance, key achievements, service challenges, risks and recovery actions during the period 1 July to 30 September 2026, and into October 2026.

Recommendation
The Kent Pension Board is recommended to:

1. Note the service delivery update.
2. Consider any risks or areas of concern identified within the report.
3. Provide comments and recommendations to the Pension Fund Committee, where appropriate.

Executive Summary

The period was characterised by continued operational pressures arising from the implementation of revised SCAPE factors, McCloud remedy activity, annual leave, resource constraints in specialist teams and ongoing backlog reduction activity arising from the McCloud blackout enforced on 9 February 2026.

Despite these challenges, the Operations Team continued to deliver a high standard of telephony customer service, maintaining customer satisfaction levels between 95% and 99%, achieving strong first-contact resolution rates and successfully managing significant volumes of member enquiries and administration activity.

Analysis of over-target cases demonstrates that many of the missed KPIs represent relatively small delays beyond the target response time. In Survivor/Death casework, Retirement and Transfer workstreams, a significant proportion of cases recorded as missed target were completed only a few days outside the relevant service standard.

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1 Key Performance Indicators (KPIs)

1.1 Performance should be considered alongside workload volumes. During this period, Pension Operations completed over **13,000 cases** across retirement, estimate, death/survivors, transfer, aggregation and member administration activities, whilst maintaining high levels of customer satisfaction and managing significant operational pressures.

1.2 **Appendix 1** presents 3 new workflow dashboards to Members.

a) **KPI Volume & Target Adherence** – this dashboard presents a snapshot of completed casework for the period including cases that were completed within target (11,042), cases that were completed outside of target (2,183), and the outstanding cases not yet completed (24,937). Not all cases awaiting completion will be overdue, some may still be within target, and some may be awaiting further information or a response. 16,996 of the outstanding cases are currently assigned as part of the historic backlog clearance.

b) **Completed Cases by Interval to Complete** – this dashboard provides more information on the number of days taken to complete cases. Of the 13,225 cases completed during the period, 8,731 were completed within 10 working days, 9,878 were completed within 15 working days and 10,565 were completed within 20 working days.

c) **Cases Not Completed In Period** – this dashboard summarises the cases currently awaiting completion and whether they are still within target or have already missed target. At the time of running the report, 7,699 cases were still within target. Aggregations, Deferred Benefits, Refunds and Transfers Out account for the majority of the overdue cases.

1.3 **Retirements & Refunds**

KPI	Service Standard (Days)	Cases Completed	Apr-Jun	Jul-Sep	Variance	RAG
Retirement Benefits (Active)	20	286	89.6%	76.9%	-12.7%	🔴
Retirement Benefits (Deferred)	20	460	93.3%	83.0%	-10.3%	🟠
Refund Notifications	60	623	81.8%	87.6%	+5.8%	🟠
Refund Payments	20	363	90.4%	95.9%	+5.5%	🟢
Opt Outs	20	189	40.6%	68.3%	+27.7%	🔴

1.4 **Summary:** The team completed **1,921 cases** during the period. Performance improved for Refund Notifications and Refund Payments remained strong at 95.9%. Performance reductions within retirement casework primarily reflect increased complexity associated with McCloud remedy activity, implementation of revised SCAPE factors, annual leave pressures and reduced specialist capacity during the period.

1.5 Analysis of over-target cases indicates that most retirement and refund cases were completed within a small number of days of their target date. The average delay for cases completed outside target was typically less than two weeks, with many completed within only a few working days of the applicable service standard.

1.6 The team continued to manage significant retirement and refund volumes whilst supporting implementation of SCAPE changes, McCloud remedy activity and a substantial volume of August retirements.

1.7 **Estimates & Divorce**

KPI	Service Standard (Days)	Cases Completed	Apr-Jun	Jul-Sep	Variance	RAG
Active Member Estimates	20	359	97.9%	86.9%	-11.0%	🟠
Deferred Member Estimates	20	780	98.6%	86.9%	-11.7%	🟠
Deferred Benefit Statements	60	481	86.1%	78.6%	-7.5%	🔴
Divorce Quotes	30	142	96.2%	87.3%	-8.9%	🟠
Divorce Actuals	120	5	100.0%	80.0%	-20.0%	🟠
Lost Pensions	20	55	87.5%	76.4%	-11.1%	🔴

1.8 **Summary:** The team completed **1,822 cases** during the quarter. Performance remained strong despite increased demand generated through Annual Benefit Statement enquiries and McCloud-related work. Deferred Estimates remained above 86% despite significant workloads.

1.9 A temporary reduction in Deferred Estimate performance reflected operational prioritisation of member-requested work. Performance recovered strongly during September.

1.10 Lost Pension and Deferred Benefit Statement performance reduced during the quarter due to competing service demands and reduced capacity.

The team continued to demonstrate flexibility and resilience whilst maintaining service standards.

1.11 **Death/Survivor benefits**

KPI	Service Standard (Days)	Cases Completed	Apr-Jun	Jul-Sep	Variance	RAG
Initial Death Notifications	10	432	90.8%	84.7%	-6.1%	🟠
Survivor Pensions (Deferred/Pensioner)	15	161	73.4%	57.1%	-16.3%	🔴

Survivor Pensions (Death in Service)	15	10	83.3%	30.0%	-53.3%	🔴
Survivor Pension Estimates	15	36	86.1%	75.0%	-11.1%	🔴
Death Grant Payments	20	106	84.2%	83.0%	-1.2%	🟠

1.12 **Summary:** The team completed **745 bereavement cases** during the period.

1.13 The team continued to provide a critical service despite annual leave pressures, sickness absence, Children's Pension Reviews and specialist resource requirements.

1.14 Although some KPI targets were not achieved, the majority of late cases were marginally outside the applicable service standard. For example, over 70% of death grant cases that missed KPI were completed within 6 days or fewer and 65% of survivor pension cases that missed target were completed within 5 days or fewer.

1.15 **Transfers & Interfunds**

KPI	Service Standard (Days)	Cases Completed	Apr-Jun	Jul-Sep	Variance	RAG
LGPS Transfer (Interfund) In Estimates	20	15	37.5%	33.3%	-4.2%	🔴
LGPS Transfer (Interfund) In Actuals	20	24	12.5%	4.2%	-8.3%	🔴
LGPS Transfer (Interfund) Out Estimates	20	135	46.1%	74.1%	+28.0%	🔴
LGPS Transfer (Interfund) Out Actuals	20	65	9.5%	9.2%	-0.3%	🔴
Transfer In Estimates	20	36	50.0%	80.6%	+30.6%	🟠
Transfer In Actuals	20	15	50.0%	60.0%	+10.0%	🔴
Transfer Out Estimates	20	91	71.7%	90.1%	+18.4%	🟢
Transfer Out Actuals	20	18	61.5%	55.6%	-5.9%	🔴
New Starters	30	2,744	100.0%	99.9%	-0.1%	🟢

1.16 **Summary:** The team completed **399 transfer and 2,744 New Starter cases** during the period. Significant improvements were achieved across most transfer quotation activities together with strong performance in New Starters. Transfer work continues to be affected by specialist resource requirements, external dependencies and the technical complexity of transfer calculations.

1.17 Review of transfer cases completed outside target indicates that many transfer quotations were completed only 1 to 4 working days beyond target. September performance showed further improvement, with only 1 LGPS Transfer Out Actual case completed outside target. This suggests that current operational performance is stronger than the headline KPI figures alone indicate.

1.18 Despite some challenges, there were several notable improvements during the quarter:

- LGPS Transfer (Interfund) Out Estimates improved from 46.1% to 74.1%.
- Transfer In Estimates improved from 50.0% to 80.6%.
- Transfer Out Estimates improved from 71.7% to 90.1%.
- Transfer In Actuals improved from 50.0% to 60.0%.
- New Starter performance remained exceptionally strong at 99.9%.

1.19 Targeted training, increased checking capacity, overtime support and knowledge-sharing initiatives have strengthened resilience within the team and increased the number of staff able to undertake specialist transfer work.

1.20 This quarter therefore demonstrates encouraging recovery trends within Transfer and Interfund administration, with improvements evident across most KPI measures and continued investment in workforce capability expected to support further improvement during the next quarter.

1.21 **Aggregations**

KPI	Service Standard (Days)	Cases Completed	Apr-Jun	Jul-Sep	Variance	RAG
Aggregation Estimates	240	31	81.8%	83.9%	+2.1%	
Aggregation Actuals	60	992	41.0%	29.8%	-11.2%	
Reversal of Auto Aggregation	20	6	100.0%	66.7%	-33.3%	

1.22 **Summary:** The team completed **1,029 aggregation cases** during this period. Aggregation activity remains resource intensive and continues to require focused management attention. Throughput increased during the quarter despite KPI performance remaining below target. The Aggregation team also experienced an increased demand generated through Annual Benefit Statement enquiries.

1.23 It will take the team time to recover from the necessary blackout imposed as a result of McCloud data reconciliation/loading and the subsequent impact of the SCAPE factor changes, both of which caused a backlog of casework.

1.24 Aggregation Estimate performance remained relatively strong at 83.9%, whilst Actual performance remained below target at 29.8%. However, it should be noted that the team processed a total of 992 Actual cases in this quarter in comparison to 83 (due to blackout and SCAPE) in the previous quarter.

1.25 The service continues to monitor performance closely and prioritise resource allocation to support ongoing recovery and service improvement.

1.26 **General Administration**

KPI	Service Standard (Days)	Cases Completed	Apr-Jun	Jul-Sep	Variance	RAG
General Correspondence	15	2,293	97.7%	96.3%	-1.4%	●
Change of Member Details	10	1,302	95.5%	91.0%	-4.5%	●

1.27 **Summary:** The service completed **3,595 general administration cases** during the period whilst maintaining Green status across both KPI measures.

1.28 These results demonstrate that high-volume member administration activity continues to be delivered consistently despite wider service pressures.

2 Casework Volumes

Case Type	Opening Outstanding	New Cases	Completed	Closing Outstanding	Net Movement	Trend
Deaths	78	411	432	57	**-21**	● Improving
Survivors' Pensions	87	194	207	74	**-13**	● Improving
Death Grant Payments	23	112	106	29	**+6**	● Deteriorating
Retirement Benefits	415	780	746	449	**+34**	● Deteriorating
Retirement Estimates	467	1,181	1,139	509	**+42**	● Deteriorating

Case Type	Opening Outstanding	New Cases	Completed	Closing Outstanding	Net Movement	Trend
Refunds	603	995	986	612	**+9**	🟠 Deteriorating
Deferred Benefits	1,199	1,136	481	1,854	**+655**	🔴 Significant Increase
LGPS Transfers In	80	87	39	128	**+48**	🔴 Significant Increase
LGPS Transfers Out	470	228	200	498	**+28**	🟠 Deteriorating
Aggregations	2,986	1,454	1,029	3,411	**+425**	🔴 Significant Increase
Non-LGPS Transfers In	36	61	51	46	**+10**	🟠 Deteriorating
Non-LGPS Transfers Out	149	127	109	167	**+18**	🟠 Deteriorating
Divorces	60	146	147	59	**-1**	🟢 Stable
General Correspondence	83	2,292	2,293	82	**-1**	🟢 Stable
Change of Details	38	1,292	1,302	28	**-10**	🟢 Improving
Lost Pensions	26	51	55	22	**-4**	🟢 Improving
New Joiners	243	2,547	2,744	46	**-197**	🟢 Significant Improvement
Opt Outs	100	174	189	85	**-15**	🟢 Improving

Case Type	Opening Outstanding	New Cases	Completed	Closing Outstanding	Net Movement	Trend
Total	**7,143**	**13,268**	**12,255**	**8,156**	**+1,013**	🔴 Backlog Increased

2.1 Overall outstanding workload increased by **1,013 cases (14.2%)**, from **7,143** to **8,156** cases during the period.

2.2 The largest increases in outstanding work were seen in **Deferred Benefits (+655 cases)** and **Aggregations (+425 cases)**, which together account for more than **1,000 additional outstanding cases**.

2.3 Strong performance was achieved in **New Joiners**, where the backlog reduced by **197 cases (81%)**, despite handling the highest volume of new work.

2.4 Death-related casework remains well controlled, with reductions across **Deaths** and **Survivors' Pensions**.

2.5 High-volume transactional processes such as **General Correspondence** and **Change of Details** remained stable, with work completed broadly matching volumes received.

2.6 Transfer and Deferred Benefit activity continues to represent the greatest service pressure and will require ongoing management focus to prevent further growth in outstanding workloads.

3 Work in Progress (historic backlog clearance)

Measure	30 June 2026	30 September 2026	Change
Total Cases in Scope	23,013	23,013	
Cases Completed	4,891	6,017	+1,126
Completion Rate	21.25%	26.15%	+4.90%
Remaining Cases	18,122	16,996	

3.1 Completion of cases increased from **4,891 (21.25%)** at 30 June 2026 to **6,017 (26.15%)** at 30 September 2026, representing an additional **1,126 cases completed** during the quarter and an improvement of **4.90%** in the overall completion rate.

4 Customer Contact

Measure	Apr-Jun	Jul-Sep	Change	% Change
Contact Centre				

Calls Received	4,012	5,367	+1,355	+33.8%
First Point Resolution (Calls)	97.1%	95.0%	-2.1%	-2.2%
Positive Feedback (Calls)	98.3%	97.0%	-1.3%	-1.3%
Correspondence				
Emails Received	6,091	6,359	+268	+4.4%

4.1 Customer contact volumes increased during the quarter, with **5,367 calls** received, an increase of **33.8%** compared with the previous quarter. Email volumes also increased, rising by **4.4%** to **6,359**.

4.2 Despite the increase in demand, the team maintained strong customer service standards, achieving a **95.0% first point resolution rate** and receiving **97.0% positive customer feedback** from callers.

5 Complaints

Measure	Apr-Jun	Jul-Sep	Change	Trend
Complaints Received	7	5	-2	▼ Improved
Complaints Escalated (IDRP)	1	1	0	— No Change

5.1 A total of **5 complaints** were received during the quarter, representing a reduction of **2 complaints (28.6%)** compared with the previous quarter. This indicates a continued low level of formal complaints relative to overall case volumes and member interactions.

5.2 There was **1 complaint escalated through the Internal Dispute Resolution Procedure (IDRP)**, consistent with the previous quarter. The low number of escalated complaints suggests that the majority of member concerns continue to be resolved through the Fund's standard complaint handling processes.

5.3 Overall, complaint volumes remain low, and no emerging trends or systemic issues have been identified during the reporting period.

6 Key Risks

Risk	Potential Impact
Aggregation Workload	Continued pressure on specialist resources and recovery of processing levels.
Transfer & Interfund	Complex casework, external dependencies and specialist resource

Capacity	requirements may continue to impact performance.
Specialist Workforce Dependency	Several technical workstreams remain reliant on limited specialist expertise.
McCloud Remedy Activity	Ongoing diversion of resources from business-as-usual activity.
Legislative and Regulatory Change	Additional complexity and manual intervention requirements.
Workforce Availability	Annual leave, vacancies impacting resilience and productivity.

7 Recovery Actions

7.1 Workforce Resilience

- Continued cross-team training and knowledge sharing.
- Increased checking capacity across specialist work areas.
- Development of additional staff capability to reduce single points of failure.
- Expansion of technical knowledge across transfer and bereavement workstreams.
- Recruitment campaigns and forward planning to continue.

7.2 Performance Improvement

- Enhanced workflow monitoring.
- Continued management of backlog clearance.
- Early intervention on cases approaching KPI deadlines.
- Ongoing review of work allocation practices.
- Continued support through knowledge-sharing and coaching activities.

7.3 Transfer & Interfund Recovery

- Additional training completed across specialist transfer activities.
- Increased checking resource within the team.
- Overtime support utilised where appropriate.
- Ongoing competency development to improve resilience and service continuity.

7.4 Customer Service

- Continued focus on member experience.
- Maintenance of strong first-contact resolution performance.
- Ongoing monitoring of Voice of the Customer feedback.

- Continued emphasis on quality and consistency of member communications.

8 Conclusion

8.1 This quarter was a challenging period, with the continued impact of McCloud remedy implementation, SCAPE changes, specialist resource pressures and increasing operational complexity.

8.2 Despite these challenges, the service maintained excellent customer satisfaction levels, continued to perform strongly across several core administration functions and delivered measurable improvements across a number of Transfer and Interfund activities.

8.3 Whilst some KPIs remained below target, detailed analysis confirms that many missed cases were only a small number of days beyond the applicable service standard. The majority of operational challenges during the quarter related to legislative change activity, specialist resource pressures, annual leave commitments and external dependencies rather than significant deterioration in service delivery.

8.4 Performance improvements across several Transfer and Interfund KPIs, together with consistently high customer satisfaction levels, demonstrate the continued resilience of the service despite ongoing operational demands.

8.5 The focus during the next quarter will remain on strengthening workforce resilience, improving specialist service performance, embedding skills development and maintaining the high level of customer service expected by scheme members and stakeholders.

8.6 **Appendix 2** is presented to Members to provide initial results of the performance recovery from October 2026. The service has moved from a period of operational pressure into a more stable recovery phase. Performance improvements are evident across most customer-facing activities, particularly retirements, estimates and survivor benefits. Whilst transfer processing and aggregation workloads continue to present challenges, the October results provide confidence that recovery measures are having the intended effect and that overall service performance is moving in a positive direction.

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November 2026

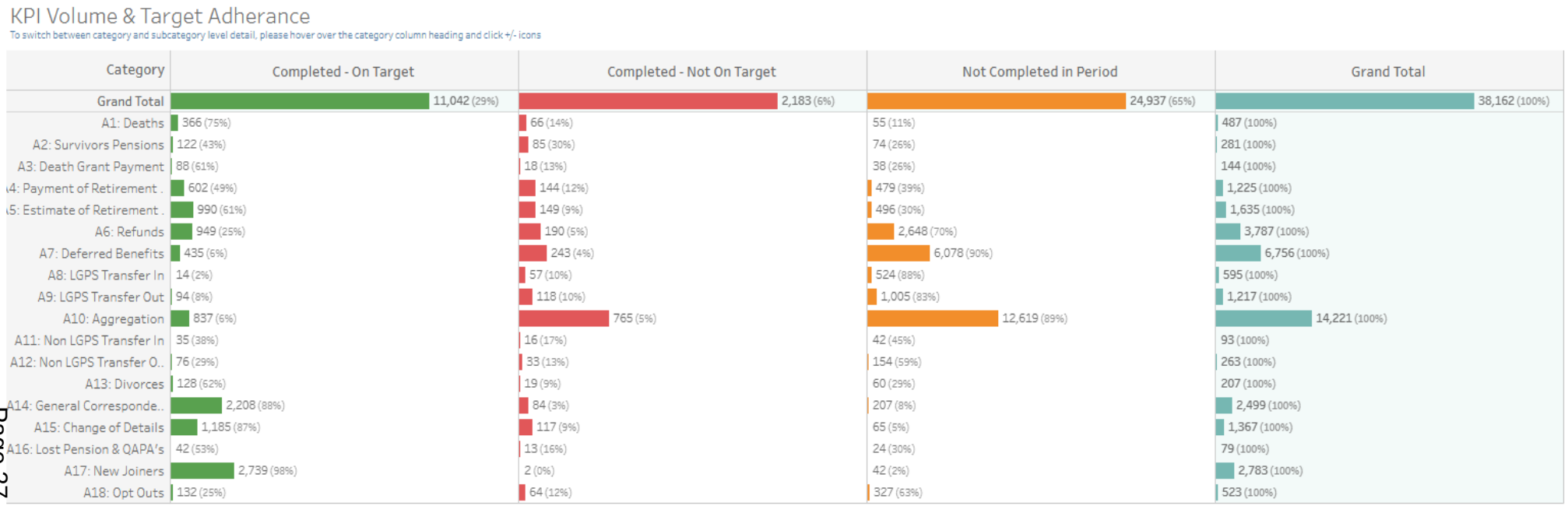
Appendix 1: July to September 2026 - Casework Analysis

Appendix 2: October 2026 - Recovery Update

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Appendix 1 - July to September 2026 – Casework Analysis

a)



Category	Completed - On Target	Completed - Not On Target	Not Completed in Period	Grand Total
Grand Total	11,042 (29%)	2,183 (6%)	24,937 (65%)	38,162 (100%)
A1: Deaths	366 (75%)	66 (14%)	55 (11%)	487 (100%)
A2: Survivors Pensions	122 (43%)	85 (30%)	74 (26%)	281 (100%)
A3: Death Grant Payment	88 (61%)	18 (13%)	38 (26%)	144 (100%)
A4: Payment of Retirement .	602 (49%)	144 (12%)	479 (39%)	1,225 (100%)
A5: Estimate of Retirement .	990 (61%)	149 (9%)	496 (30%)	1,635 (100%)
A6: Refunds	949 (25%)	190 (5%)	2,648 (70%)	3,787 (100%)
A7: Deferred Benefits	435 (6%)	243 (4%)	6,078 (90%)	6,756 (100%)
A8: LGPS Transfer In	14 (2%)	57 (10%)	524 (88%)	595 (100%)
A9: LGPS Transfer Out	94 (8%)	118 (10%)	1,005 (83%)	1,217 (100%)
A10: Aggregation	837 (6%)	765 (5%)	12,619 (89%)	14,221 (100%)
A11: Non LGPS Transfer In	35 (38%)	16 (17%)	42 (45%)	93 (100%)
A12: Non LGPS Transfer O..	76 (29%)	33 (13%)	154 (59%)	263 (100%)
A13: Divorces	128 (62%)	19 (9%)	60 (29%)	207 (100%)
A14: General Corresponde..	2,208 (88%)	84 (3%)	207 (8%)	2,499 (100%)
A15: Change of Details	1,185 (87%)	117 (9%)	65 (5%)	1,367 (100%)
A16: Lost Pension & QAPA's	42 (53%)	13 (16%)	24 (30%)	79 (100%)
A17: New Joiners	2,739 (98%)	2 (0%)	42 (2%)	2,783 (100%)
A18: Opt Outs	132 (25%)	64 (12%)	327 (63%)	523 (100%)

b)

Completed Cases by Interval to Complete

Category	Completion Time Interval						
	0 to 5 days	6 to 10 days	11 to 15 days	16 to 20 days	21 to 30 days	31+ days	Grand Total
A1: Deaths	233 (53.94%)	133 (30.79%)	34 (7.87%)	15 (3.47%)	14 (3.24%)	3 (0.69%)	432 (100.00%)
A2: Survivors Pensions	19 (9.18%)	29 (14.01%)	74 (35.75%)	48 (23.19%)	27 (13.04%)	10 (4.83%)	207 (100.00%)
A3: Death Grant Payment	25 (23.58%)	29 (27.36%)	26 (24.53%)	8 (7.55%)	13 (12.26%)	5 (4.72%)	106 (100.00%)
A4: Payment of Retirement Benefits	75 (10.05%)	190 (25.47%)	173 (23.19%)	164 (21.98%)	107 (14.34%)	37 (4.96%)	746 (100.00%)
A5: Estimate of Retirement Benefits	269 (23.62%)	235 (20.63%)	337 (29.59%)	149 (13.08%)	113 (9.92%)	36 (3.16%)	1,139 (100.00%)
A6: Refunds	514 (45.13%)	262 (23.00%)	78 (6.85%)	16 (1.40%)	45 (3.95%)	224 (19.67%)	1,139 (100.00%)
A7: Deferred Benefit	93 (13.72%)	86 (12.68%)	49 (7.23%)	54 (7.96%)	80 (11.80%)	316 (46.61%)	678 (100.00%)
A8: LGPS Transfer In	3 (4.23%)	2 (2.82%)	2 (2.82%)	7 (9.86%)	6 (8.45%)	51 (71.83%)	71 (100.00%)
A9: LGPS Transfer Out	50 (23.58%)	21 (9.91%)	11 (5.19%)	12 (5.66%)	15 (7.08%)	103 (48.58%)	212 (100.00%)
A10: Aggregation	347 (21.66%)	52 (3.25%)	13 (0.81%)	14 (0.87%)	22 (1.37%)	1,154 (72.03%)	1,602 (100.00%)
A11: Non LGPS Transfer In	2 (3.92%)	10 (19.61%)	10 (19.61%)	13 (25.49%)	9 (17.65%)	7 (13.73%)	51 (100.00%)
A12: Non LGPS Transfer Out	12 (11.01%)	21 (19.27%)	23 (21.10%)	20 (18.35%)	17 (15.60%)	16 (14.68%)	109 (100.00%)
A13: Divorces	12 (8.16%)	15 (10.20%)	27 (18.37%)	20 (13.61%)	51 (34.69%)	22 (14.97%)	147 (100.00%)
A14: General Correspondence	1,737 (75.79%)	369 (16.10%)	102 (4.45%)	60 (2.62%)	14 (0.61%)	10 (0.44%)	2,292 (100.00%)
A15: Change of Details	1,144 (87.86%)	41 (3.15%)	20 (1.54%)	66 (5.07%)	7 (0.54%)	24 (1.84%)	1,302 (100.00%)
A16: Lost Pension & OAPA's	24 (43.64%)	14 (25.45%)	2 (3.64%)	2 (3.64%)	9 (16.36%)	4 (7.27%)	55 (100.00%)
A17: New Joiners	2,490 (90.84%)	49 (1.79%)	163 (5.95%)	14 (0.51%)	43 (1.57%)	2 (0.07%)	2,741 (100.00%)
A18: Opt Outs	117 (59.69%)	7 (3.57%)	3 (1.53%)	5 (2.55%)	22 (11.22%)	42 (21.43%)	196 (100.00%)
Grand Total	7,166 (54.19%)	1,565 (11.83%)	1,147 (8.67%)	687 (5.19%)	614 (4.64%)	2,066 (15.62%)	13,225 (100.00%)

c)

Cases Not Completed In Period

Category	5+ Days Under Target	Days Under Target					Due Today	Days Over Target					5+ Days Over Target	Grand Total
		5	4	3	2	1		1	2	3	4	5		
A1: Deaths	20	6	5	2	1				2		1	1	17	55
A2: Survivors Pensions	37	8	1	4		2	1	2	2	1			16	74
A3: Death Grant Payment	19			3			1	2	1				12	38
A4: Payment of Retirement Benefits	254	25	15	25	10	20	21	11	9	10	3	8	68	479
A5: Estimate of Retirement Benefits	260	7	2	6	6	5	2	8	2	3	3	2	190	496
A6: Refunds	928	3	3		2	4	5	3	2	1	2		1,695	2,648
A7: Deferred Benefits	1,791	5	4	13		3	6	5	6	3	1	8	4,233	6,078
A8: LGPS Transfer In	38	1	3	1		4	3	1		1	5		467	524
A9: LGPS Transfer Out	125	3	4	3	1	1	6	5	2	5	2	4	844	1,005
A10: Aggregation	3,453	7	6	21	18	28	20	15	26	47	21	16	8,942	12,619
A11: Non LGPS Transfer In	23	1	1	1						2	2		12	42
A12: Non LGPS Transfer Out	62		2	2	3	3	2	3	1	4	1		71	154
A13: Divorces	44	4		1	1	1				1			8	60
A14: General Correspondence	74	7	4	15	9	18	6	7	7	7	3	4	46	207
A15: Change of Details	6	22	7	1		1	1	2	2			1	22	65
A16: Lost Pension & QAPA's	15		4	2				2					1	24
A17: New Joiners	40					1							1	42
A18: Opt Outs	105	1	1	1			1	4				1	213	327
Grand Total	7,294	100	62	101	51	91	75	70	62	85	44	45	16,858	24,937

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Appendix 2 - October 2026 Recovery Update

Executive Dashboard

Overall Service Position

Measure	Position
Overall Service Performance	🟡 Improving
Cases Completed in October	**5,579**
KPIs Improving	**Majority of KPIs**
Next quarter Outlook	🟢 Positive Trajectory

Service Area RAG Status

Service Area	Status	Trend
Retirements & Refunds	🟢	Improving
Estimates & Divorce	🟢	Improving
Death & Survivor Benefits	🟢	Improving
General Administration	🟢	Stable / High Performing
Transfers & Interfunds	🔴	Early Recovery Emerging
Aggregations	🔴	Ongoing Challenge

Summary

October performance provides encouraging evidence that the recovery actions introduced in response to the challenges experienced during July to September 2026 are beginning to deliver measurable improvements. Whilst legislative change activity, including McCloud remedy implementation, SCAPE factor changes and specialist resource pressures, continues to impact some areas of the service, most KPI measures improved during October.

A total of 5,579 cases were completed during October, with particularly strong performance improvements evident within Retirement Benefits, Survivor Benefits, Member Estimates and several Transfer activities.

Overall, October performance demonstrates an improving operational position and provides confidence that recovery actions are beginning to deliver sustainable benefits as the service progresses.

Retirements & Refunds

Performance Summary

KPI	Cases Completed	October	RAG
Retirement Benefits (Active)	113	87.6%	🟡
Retirement Benefits (Deferred)	163	96.9%	🟢
Notification of Refund Entitlement	126	87.3%	🟡
Payment of Refunds	84	96.4%	🟢
Opt Outs	46	78.3%	🟡

Commentary

This service area demonstrated strong recovery during October. Retirement Benefits achieved the most significant improvement, particularly Deferred Retirements, which returned to green status. Refund activity remained stable and high performing, whilst Opt Outs continued to improve.

Estimates & Divorce

Performance Summary

KPI	Cases Completed	October	RAG
Active Member Estimates	202	92.6%	🟢
Deferred Member Estimates	279	91.8%	🟢
Deferred Benefit Statements	226	85.8%	🟡
Pension Sharing on Divorce Estimates	45	91.1%	🟢
Pension Sharing on Divorce Implementations	2	100.0%	🟢
Lost Pension & QAPAs	19	89.5%	🟡

Commentary

Estimate activity continues to demonstrate strong recovery. Both Active and Deferred Estimates exceeded 90%, whilst Divorce casework achieved high levels of performance. Deferred Benefits remain under pressure but continues to show improvement.

Death & Survivor Benefits

Performance Summary

KPI	Cases Completed	October	RAG
Initial Death Notifications	129	89.1%	🟡
Survivor Pensions (Pensioner/Deferred)	48	85.4%	🟡
Survivor Pensions (Death in Service)	3	33.3%	🔴
Survivor Pension Estimates	11	90.9%	🟢
Death Grant Payments	43	76.7%	🔴

Commentary

Death & Survivor Benefits delivered some of the strongest improvements across Operations during October. Significant gains were achieved within Survivor Pension processing and Survivor Estimates. Although several specialist activities remain below target, the overall trend is positive.

Transfers & Interfunds

Performance Summary

KPI	Cases Completed	October	RAG
LGPS Transfer In Estimates	3	100.0%	🟢
LGPS Transfer In Actuals	3	66.7%	🔴
LGPS Transfer Out Estimates	50	44.0%	🔴
LGPS Transfer Out Actuals	13	7.7%	🔴
Non-LGPS Transfer In Estimates	19	73.7%	🟡
Non-LGPS Transfer In Actuals	9	55.6%	🔴

Non-LGPS Transfer Out Estimates	41	41.5%	🔴
Non-LGPS Transfer Out Actuals	7	85.7%	🟡
New Starters	2,001	100.0%	🟢

Commentary

Transfers & Interfunds remains the most challenged operational area. October performance provides encouraging evidence of recovery within Transfer In processing, particularly LGPS Transfer In Estimates, which achieved 100% performance.

LGPS Transfer Out activity remains significantly below target and recovery activity remains a priority.

Aggregations

Performance Summary

KPI	Cases Completed	RAG
Aggregation Estimates (C & D Types)	64	🟢
Aggregation Actuals (C Type)	1	🟢
Aggregation Actuals (D Type)	18	🔴
Aggregation A & B Types	130	🟡
ERN Changes	222	🔴
Next Day Transfers	163	🟡
Concurrent Employments	43	🟢
Reversal of Auto Aggregation	13	🔴

Commentary

Aggregations remain a significant operational risk area. Whilst several individual measures performed well during October, overall performance continues to be affected by backlog volumes and specialist casework. Outstanding aggregation work remains a key management focus.

General Administration

Performance Summary

KPI	Cases Completed	October	RAG
General Correspondence	831	94.3%	
Change of Scheme Member Details	407	95.6%	

Commentary

General Administration remains a strong performing operational area, maintaining consistently high service levels across all major activities.

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To: **Kent Pension Board – 25 November 2026**

From: **Chair – Kent Pension Board**
Corporate Director of Finance

Subject: **Pensions Service Delivery – Engagement & Systems and Technical & Training Update**

Classification: **Unrestricted**

Purpose of the Report
To provide the Kent Pension Board with an update on the activities, risks and developments within the Pensions Service Delivery Team (Engagement & Systems and Technical & Training) since the previous meeting and to enable the Board to fulfil its oversight responsibilities.

Recommendation
The Kent Pension Board is recommended to:

1. Note the service delivery update.
2. Consider any risks or areas of concern identified within the report.
3. Provide comments and recommendations to the Pension Fund Committee, where appropriate.

Executive Summary
The Service Delivery Team continues to deliver strong operational performance while progressing a significant programme of regulatory and service improvement activity. Membership has increased to over 200,000 members, digital engagement continues to grow through MyPension and iConnect, and data quality remains at consistently high levels.

Good progress has been made on key regulatory projects, including the McCloud remedy and Access and Fairness reviews, with technical work and case assessments continuing in line with programme plans. Member engagement remains strong through digital communications and self-service adoption, supporting improved customer experience and operational efficiency.

The Board can take assurance that service standards, data quality and compliance activities remain stable, while the team continues to prepare for forthcoming legislative changes, including Pensions Dashboards and the increase in the Normal Minimum Pension Age. Continued oversight is recommended on the delivery of McCloud rectification and Access and Fairness programmes due to their scale and complexity.

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1 Membership Statistics

Membership Category	Current Quarter	Previous Quarter	Change	% Change
Active Members	55,087	56,642	-1,555	-2.7%

Undecided Leavers	23,686	21,121	+2,565	+12.1%
Frozen Refunds	12,467	12,844	-377	-2.9%
Deferred Members	52,503	52,916	-413	-0.8%
Pensioners & Dependants	56,563	56,161	+402	+0.7%
Total Membership	**200,306**	**199,684**	**+622**	**+0.3%**

1.1 Total Fund membership increased by **622 members** during the quarter, rising from **199,684** to **200,306**. The most significant movement was an increase in **Undecided Leavers** (+12.1%), partially offset by a reduction in **Active Members** (-2.7%). The number of **Pensioners and Dependants** continued to grow steadily, reflecting the maturing profile of the Fund's membership.

2 MyPension Online

Measure	Current Quarter	Previous Quarter	Change	% Change
New Member Portal Registrations	5,477	3,531	+1,946	+55.1%
Total Member Portal Accounts	58,082	52,779	+5,303	+10.0%

2.1 Digital engagement continued to grow significantly, with **5,477 new Member Portal registrations** during the quarter, representing an increase of **55.1%** compared with the previous period. Total Member Portal accounts increased to **58,082**, demonstrating the continued adoption of self-service channels by scheme members.

3 Data Quality

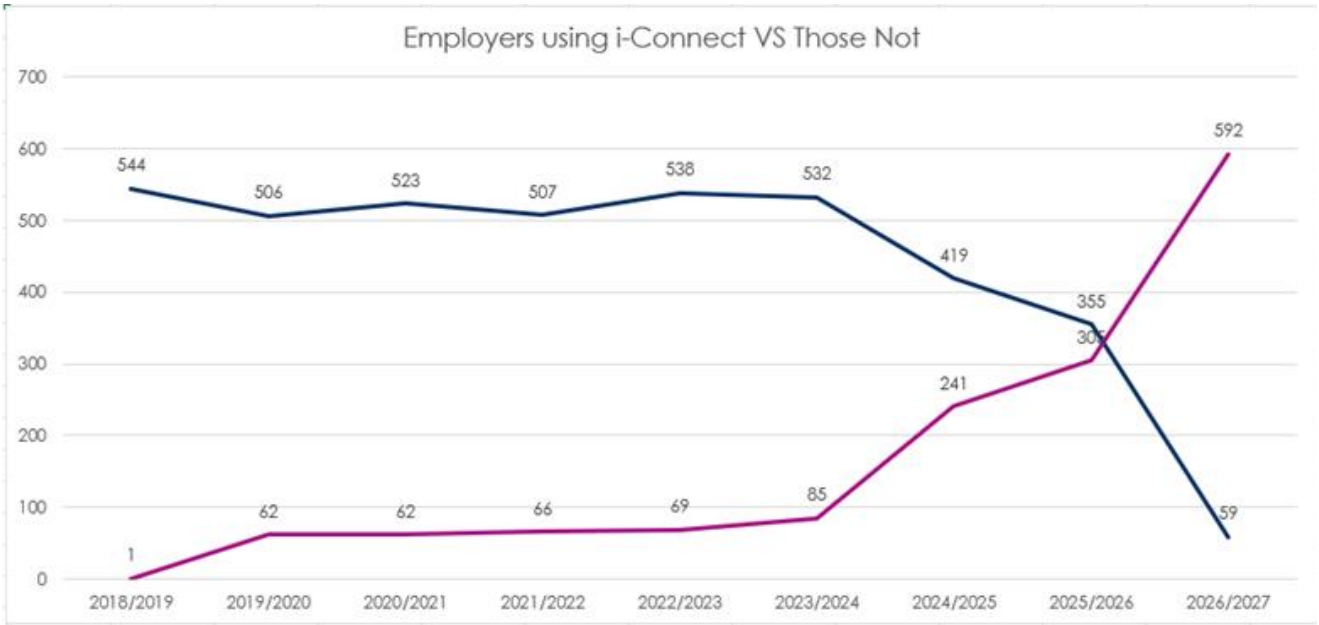
Data Quality Measure	Previous Quarter	Current Quarter	Change
Common Data Score	97.7%	97.8%	+0.1%
Scheme-Specific Data Score	97.95%	98.0%	+0.05%

3.1 Data quality performance remained strong during the quarter, with both Common Data and Scheme-Specific Data scores showing a marginal improvement compared with the previous reporting period.

3.2 The Fund's **Common Data Score increased from 97.7% to 97.8%**, while the **Scheme-Specific Data Score increased from 97.95% to 98.0%**. These results demonstrate the continued focus on maintaining high-quality member records and support the Fund's ongoing commitment to effective data governance and regulatory compliance.

3.3 Overall, data quality remains at a consistently high level, with both measures continuing to exceed 97%, providing a strong foundation for the accurate administration of member benefits.

4 iConnect



Blue – Employers not yet onboarded

Purple – Employers onboarded

4.1 Employer onboarding to iConnect has continued to progress strongly, increasing from a single employer in 2018/19 to 592 employers by 2026/27. The most significant growth occurred during the last three years of the programme, with adoption rising from 85 employers in 2023/24 to 592 in 2026/27. As a result, the number of employers not using iConnect reduced from 544 to just 59, demonstrating the success of the Fund's digital engagement and data improvement strategy.

5 Member Engagement

5.1 Open Lines (Pensioners) Newsletter – Autumn 2026: Open Lines Autumn 2026 Newsletter - Issue 52

5.2 Webinars delivered:

- Retirement process – 16 July 2026
- Putting my pensions together – 23 July 2026
- Increasing your pension – 11 August 2026
- Understanding your Annual Benefit Statement – 17 September 2026

5.3 Future webinars:

- Understanding your LGPS pension – 5 November 2026
- Increasing your pension – 1 December 2026

6 Regulatory and Legislative developments

6.1 **Access and Fairness (survivor benefit equality)** – From 1 April 2026, survivor pensions are calculated on a more consistent basis to ensure equal treatment regardless of the sex of the member or survivor. This removes a number of historical inequalities that existed within previous LGPS regulations. The Fund is required to review historic cases, identify potentially affected beneficiaries and implement revised benefit calculations. This has generated additional administrative activity and member communications.

Indicator	Position
Total Survivor Cases Identified	**3,879**
Cases Requiring Pension Uplift	**765**
Cases with No Current Benefit in Payment	**3,114**

6.2 **Access and Fairness (death grant reforms)** – The regulations have removed the age 75 restriction in certain circumstances for payment of lump sum death grants. This change has been backdated to 1 April 2014. The Fund is required to review historic deaths where members died after age 75, identify beneficiaries potentially entitled to a death grant under the revised rules, process backdated payments and arrears where applicable, update internal procedures and member facing guidance.

Indicator	Position
Total Death Grant Cases Identified	**158**

6.3 **McCloud Remedy** – The McCloud Remedy represents one of the most significant administrative exercises undertaken by the LGPS in recent years. Key impacts include increased administration workloads associated with data collection, cleansing and validation; additional complexity in retirement calculations; and requirement for retrospective reviews and benefit calculations. As of 30 September 2026, the majority of required underpin data has been received and validated; outstanding cases continue to be pursued where data is incomplete, inconsistent or unavailable; underpin calculations are being completed as part of business-as-usual retirement processing; and historic cases requiring retrospective review have been identified ready for processing.

Measure	Volume	Percentage of Total Cases
Total Cases in Scope	1,230	100.0%
Cases Reviewed	211	17.2%
Cases Requiring Further Hours Query	103	8.4%

Genuine Cases Identified	58	4.7%

6.4 A total of **1,230 rectification cases** has been identified across four benefit categories, with the largest proportion relating to **Pensioner cases (587)**, followed by **Ill Health Retirement cases (344)** and **Death in Service cases (277)**.

6.5 To date, **211 cases** have been reviewed, representing **17.2%** of the total caseload. Of those reviewed, **103 cases** required further investigation through hours queries, and **58 genuine cases** requiring rectification have been identified.

6.6 The current review activity has focused on the **Pensioner cohort**, with subsequent review work planned across the remaining benefit categories as the project progresses. This phased approach enables resources to be targeted at the highest-volume case type while establishing consistent review and validation processes.

6.7 **Access and Protections – Access to Pension Benefits (Normal Minimum Pension Age)** – The Government has confirmed that the Normal Minimum Pension Age (NMPA) will increase from age 55 to age 57 from 6 April 2028. The change reflects increases in State Pension Age and is intended to encourage longer workforce participation. Kent Pension Fund will continue to monitor guidance issued by the Scheme Advisory Board and MHCLG to ensure members receive accurate information regarding retirement options.

6.8 **Pensions Dashboard programme** – the development of Pensions Dashboards remains a significant initiative designed to improve member access to pension information. The dashboards will allow individuals to view pension entitlements across multiple schemes through a single online service. Kent Pension Fund continues to monitor dashboard readiness, data quality requirements and connection plans to ensure compliance with legislative obligations.

Clare Chambers – Head of Pensions Service Delivery – Kent Pension Fund

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November 2026

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To:	Kent Pension Board – 25 November 2026
From:	Chairman Kent Pension Board Corporate Director of Finance
Subject:	Investment Update
Classification:	Unrestricted

Executive Summary:

As of 30 September 2026, the Fund's value was £9.99bn, a marginal increase from the £9.96bn reported previously for June. The current asset allocation remains broadly in line with the Fund's strategic targets and approved tolerance bands, apart from fixed income. As was the case previously, no rebalancing is being recommended to the Committee at this stage, given the ongoing Investment Strategy Review and planned transitions to Border to Coast. Breakdown of the individual asset class allocations are provided in paragraph 2 of this report.

For the quarter to 30 September 2026, the Fund's performance was flat with a return of +0.4%. This represents a -0.5% underperformance vs the strategic benchmark of +0.9%. Over the one-year period, the Fund returned +9.5%, a relative underperformance of 1.0% vs the benchmark of +10.5%. Whilst over three years, the Fund returned +8.3%, underperforming by -1.6%, Details of the asset class and manager performance are contained in paragraph 3 as well as Appendix 1 of this report.

The draft Investment Strategy Statement (ISS) was approved by the Committee at their September meeting and then went out to consultation throughout October. Officers have been reviewing the responses to the consultation and making necessary updates to the ISS, as a result, before presenting the final version to the Committee for approval, during their December meeting.

Recommendation:

The Board is recommended to note the report.

FOR INFORMATION

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1 Introduction

1.1 This report provides the Board with an update on the Fund's asset allocation, investment performance, and responsible investment developments since the last meeting. Additionally, the paper includes a progress update on the Investment Strategy Statement as well as Pooling.

2 Fund value and asset allocation

2.1 As of 30 September 2026, the Fund's value was £9.99bn, a very marginal increase from the £9.96bn (as of 30 June 2026), previously reported to the Board. The table below sets out the current asset allocation versus the Fund's strategic asset allocation and its rebalancing ranges.

Asset Class	Strategic Asset Allocation (%)	Tolerance Band (%)	Current Asset Allocation (%)	Variance	Status
Equities	**53**	**+/- 10**	**61.4**	**8.4**	**In range**
UK Equities	10	+/- 2.5	11.7	1.7	In range
Global Equities	38	+/- 5	42.4	4.4	In range
Emerging Market Equities	5	+/- 2.5	7.3	2.3	In range
Fixed Income	**22**	**+/- 5**	**14.1**	**-7.9**	**Underweight**
Credit	15	+/- 5	13.9	-1.1	In range
RMF (Index Linked Gilts)	7	-	4.6	-2.4	N/A
RMF (Synthetic cash offset)	-	-	-4.3	-4.3	N/A
Alternatives	**25**	**+/- 10**	**22.5**	**-2.5**	**In range**
Absolute Return	5	-	4.7	-0.3	N/A
Infrastructure	5	-	4.0	-1.0	N/A
Private Equity	5	-	4.3	-0.7	N/A
Property	10	-	9.5	-0.5	N/A
Cash	**0**	**5**	**1.9**	**1.9**	**In range**
Total	**100**		**100**		

2.2 The current asset allocation remains broadly in line with the strategic target and within approved tolerance bands, and largely unchanged from previously reported figures. As a whole, equities are overweight while alternatives are slightly underweight. Fixed income as a whole is largely underweight, primarily due to the impact of the Risk Management Framework (RMF) and Index Linked Gilts (ILG) performance.

2.3 The rebalancing position is unchanged from that previously reported. Officers will not be recommending any rebalancing takes place at this stage given the ongoing strategy review and transitions to Border to Coast.

3 Investment Performance:

Quarterly performance

3.1 The Fund returned 0.4% in the quarter to 30 September 2026, compared with 0.9% for its benchmark. Global equity markets made small gains, supported by strong company earnings, and continued investment in artificial intelligence. However, concerns about inflation, interest rates and renewed tensions in the Middle East affected market sentiment. Higher energy prices also added to inflation concerns, while government bond yields rose, putting pressure on bond prices.

3.2 Within the Fund, the growth and dividend-focused equity managers outperformed, although most equity managers fell short of their benchmarks. Most fixed income managers also underperformed, with one posting only a marginal outperformance. Additionally, this environment was difficult for alternatives asset classes which had a difficult quarter, with all areas underperforming, with the exception of direct and pooled property.

One-year performance

3.3 Over the year to 30 September 2026, the Fund returned 9.5%, against the 10.5% benchmark return. Equity markets generally performed strongly over the period, led in particular by large US technology companies. Continued investment in artificial investment and strong earnings from major technology businesses supported share prices. Emerging markets also performed very well, with particularly strong returns also from large technology companies in parts of Asia. However, gains were not evenly spread across markets. Inflation concerns, geopolitical tensions, and uncertainty over interest rates contributed to periods of volatility, particularly in bond markets.

3.4 Most of the Fund's developed market equity managers underperformed in this period because of reason discussed above, with Schroders GAV being the only manager to beat its benchmark. Emerging market equities, by contrast, significantly outperformed. Fixed income performance was mixed, with two mandates ahead of their benchmarks and two behind. Alternatives also produced mixed results with absolute return performing well, helped by its more defensive approach, and private equity also posting positive performance, whilst infrastructure and property lagged their benchmarks.

Three-year performance

3.5 Over the three years to 30 September 2026, the Fund returned 8.3% compared to the benchmark return of 9.9%. Markets have moved through a period of high inflation and rising interest rates in 2022 and 2023, followed by a gradual easing and a change in expectations for interest rates. Since the launch of ChatGPT in late 2022, Artificial intelligence has also become a major focus for investors. This has driven strong demand for technology shares, particularly among a relatively small group of large US companies. The recovery has not been as easy for bonds and property, where higher borrowing costs and changing expectations for interest rates have continued to affect valuations.

3.6 Most of the Fund's equity managers underperformed over the three-years, largely as a result of underweights to that small handful of large tech-stocks, with Schroders GAV again being the exception. Fixed income performed well in this period, with all mandates beating their benchmarks. Within alternatives, absolute return and infrastructure also outperformed, while private equity and property remained behind their respective benchmarks.

4 Responsible Investment Update

4.1 Officers attended the quarterly Border to Coast Responsible Investment Officer Operations Group (RI OOG) on 19 August 2026. The Pool confirmed the 2025-26 Stewardship Report has been published on their website, along with the 2026 Responsible Investment Policy. Officers also received an update on Border to Coast's future engagement priorities.

4.2 Additionally, Border to Coast review their voting guidelines annually to ensure they remain fit for purpose and aligned with evolving best practice. The 2026 review commenced in July and saw the guidelines reviewed by Robeco, who are BCPP's voting and engagement provider, and benchmarked by the RI team against both asset owners and asset managers.

4.3 The review found that the guidelines continue to effectively serve BCPP's RI approach. However, there were four areas which were identified where amendments may be appropriate to reflect developments in market practice and formalise aspects of the existing approach. These areas are climate-related voting expectations; shareholder proposals; shareholder rights; and dual-class share structures.

4.4 The new Policy is due to be presented at the November Joint Committee meeting and going live from January 2027, ahead of the proxy voting season.

5 Investment Strategy Update

5.1 The Pension Fund Committee (PFC) agreed the updated Strategic Asset Allocation (SAA) and the draft Investment Strategy Statement (ISS) at its meeting in September. The ISS has now been consulted upon and will be updated for any changes identified through the consultation process. A detailed report on the outcome of the consultation along with the final ISS will be shared with the Board and presented to the PFC for approval in December.

5.2 As the new SAA has introduced changes from the current position, it will require movement between asset classes. This will be implemented alongside transitioning of assets into Border to Coast to avoid potential doubling of transition costs and will involve careful planning and management. Officers have already begun discussions with the Pool to ensure that the transitions can be managed in the most cost-efficient way once the updated strategy is approved by the Committee in December

5.3 The transition will involve mapping the Fund's assets to the appropriate propositions (portfolios) in the Pool, as well as identifying the most cost-efficient way to transition the Kent Fund's assets to the Pool's Funds.

5.4 As the Pool is responsible for implementing the Fund's investment strategy, going forward, they will be undertaking detailed cost benefit analysis to support the mapping and transition decisions. Initial transition plans and considerations will be shared with the Committee and Board in December.

5.5 The latest LGPS investment regulations also require Funds to include their target and approach to Local Investments as well as Responsible Investment beliefs and approach in the Investment Strategy Statement.

5.6 Whilst the draft ISS already contains the fund's high-level approach to both these areas, it needs further development and articulation of preferences and priorities to enable the Pool to provide suitable solutions to achieve the Fund's target.

5.7 A training session for Committee and Board member is planned in January where the Border to Coast Pool officers will provide insight into their approach to implementing local investments, the opportunities and challenges and any immediate potential local investment options available in the Pool.

5.8 Earlier this year, following a Responsible Investment (RI) beliefs survey, the PFC agreed that the Fund's existing Responsible Investment Policy remains appropriate and is broadly aligned with the Pools' RI approach. However, members expressed a need for further training on RI following which the Fund's RI Policy can be reviewed and updated if necessary.

5.9 The committee members will therefore receive further training on RI and will hear from both the Pool officers as well as our consultants Marsh (previously called Mercer) in the coming February Committee which is usually a non-decision committee meeting and is used for such training.

5.10 This will be followed with Investment Strategy Group meetings in the spring and summer of 2027 where members will get an opportunity to further explore and agree updates to the Fund's RI policy as appropriate, by the end of September 2027.

6 Pooling Update

6.1 Whilst the Pool continues to develop its investment and advisory capabilities for existing as well as new partner funds, a number of working groups have been set up to provide partner fund input into these work streams. Besides, there are existing working groups which provide a platform for partner fund engagement on BAU activities such as review of governance, performance, and responsible investment at the Pool.

6.2 The Officer Operations Group (OOG) meets twice in the quarter and focuses on strategic and governance issues. In the last quarter the OOG received updates from the Governance and Oversight working groups. They also discussed the future role of the group and the need for an independent support to improve its effectiveness and to ensure that the group's agenda reflects the partner fund's priorities. The Pool also presented its future operating model to the group and high-level plans on cash management and whole fund reporting. Officers also got an opportunity to participate in a tour of a couple of London properties owned by the Pool's UK property portfolio.

6.3 The Investments Officer Operations Group (IOOG) meets quarterly and mainly undertakes annual reviews of Pool propositions based on a rota, besides discussing topical issues. The review concludes with assigning a rating to the propositions reviewed. The IOOG meeting on 7 September focused on an annual review of BCPP's alternatives propositions where the private equity, private credit, infrastructure, and climate opportunities propositions were all considered to be rated "On Track". However, BCPP also have a UK Opportunities proposition, as well as the Global Real Estate Core and Global Real Estate Value-Add propositions which were all considered to be "Too early to rate".

6.4 At the IOOG, BCPP also highlighted their seven transition principles, all designed to provide us Partner Funds with a 'no surprises' approach. The principles are:

a) Investment case: transitions to be based on an investment case;

b) Consistency with Fit for the Future: un-pooled assets to be brought into Pooled vehicles or funds under Pool oversight;

c) Minimise transition costs: transition costs will be minimised whilst maximising market exposure and considering tax implications;

d) Avoid transitioning more than once: transitions will take into account Partner Funds SAA, preferences and beliefs;

e) Flexible approach: transition approach will be assessed on an event-by-event basis, with cost implications of different routes and the basis of each recommendation to be shared with PFs in advance;

f) Financial case: the financial case will consider cost savings, transition costs, and payback periods over the whole transition programme; and

g) TM & advisor support: a transition manager and transition advisor have been appointed.

6.5 Finally, BCPP held its Annual Conference in Leeds on 25-26 September. The conference provided members of the PFC and officers with a valuable opportunity to engage directly with the Pool's leadership team as well as the wider delivery teams and gain insight into key developments and strategic initiatives across the Pool. It also facilitated networking with representatives from partner funds, enabling the exchange of views and discussion of common opportunities and challenges. The conference was well attended and received positive feedback from participants.

Appendices:

Appendix One Quarterly Performance Report (30 September 2026)

Connor Steensel, Treasury and Investments, Principal Accountant

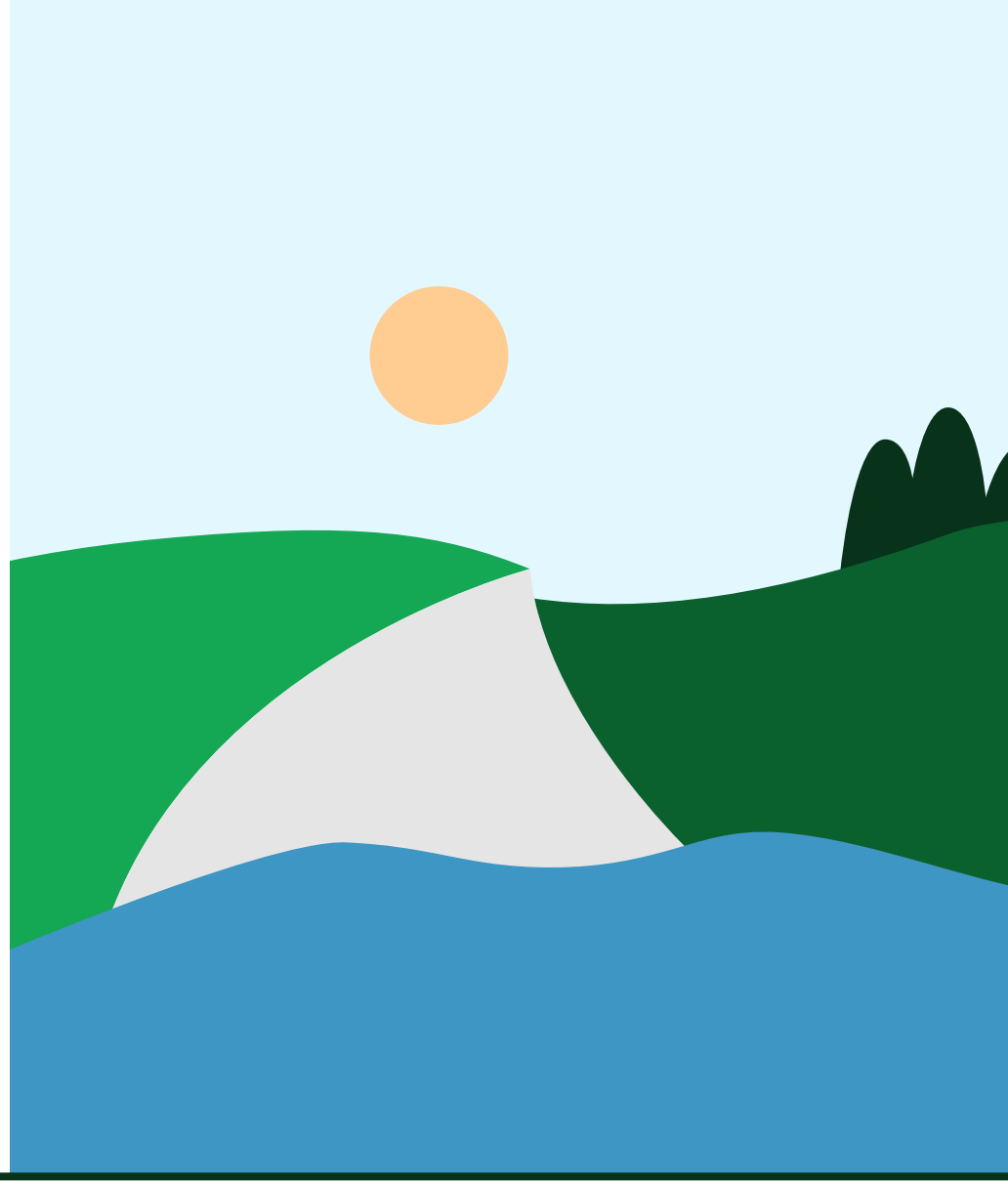
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November 2026

Kent Pension Fund

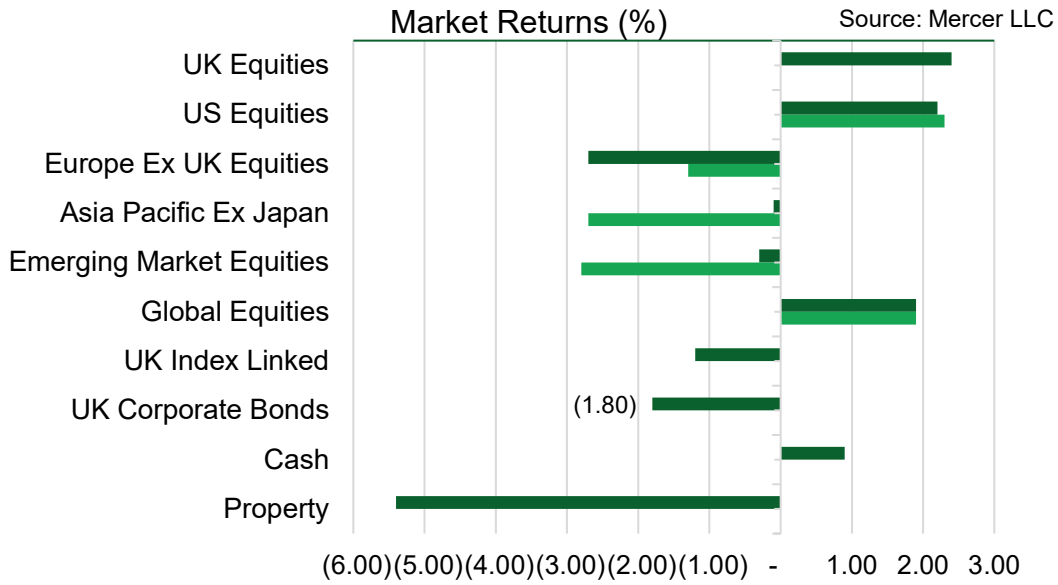
Q3 2026 Fund Performance



Market Commentary

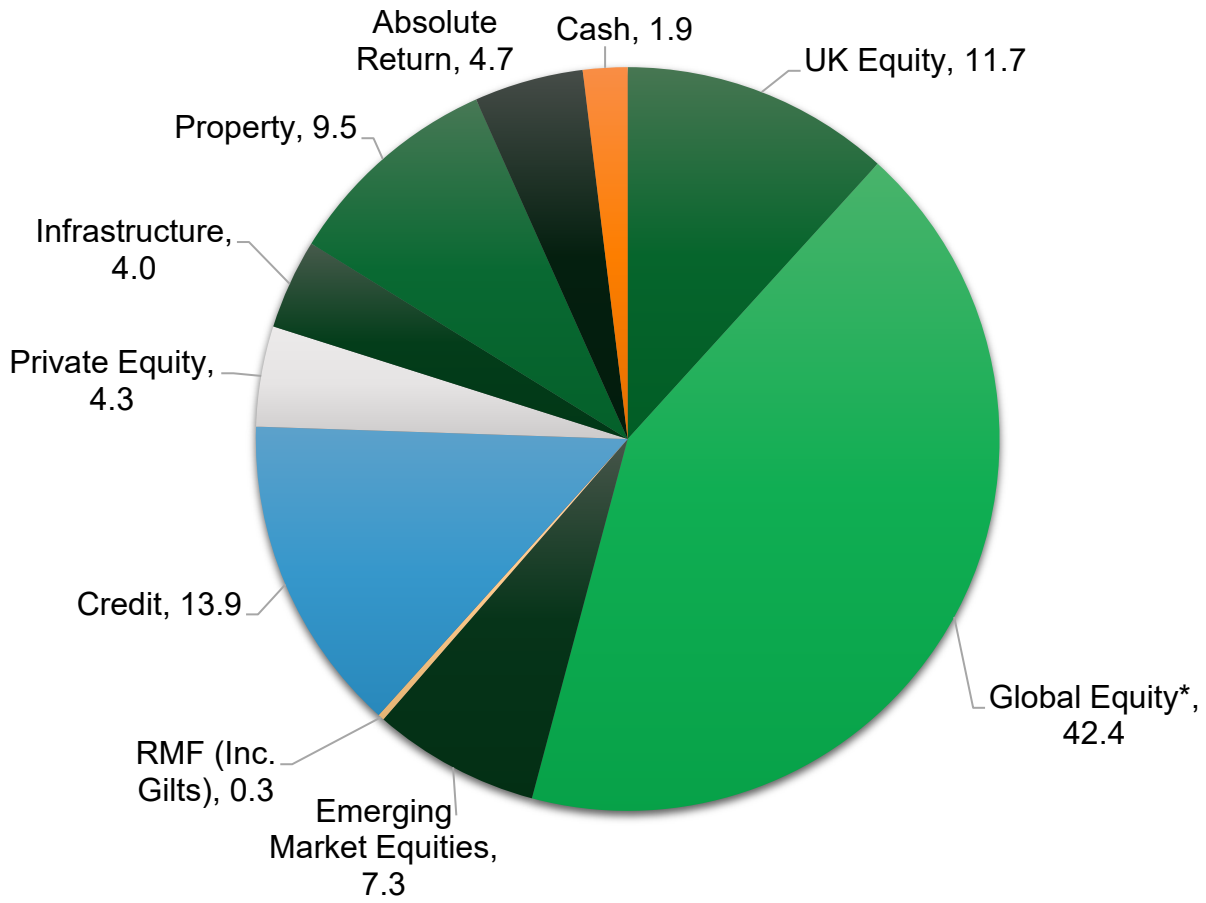
- In the third quarter of 2026, financial markets were driven by continued geopolitical uncertainty, hawkish central bank pricing and AI-led optimism. Oil prices remained elevated on the back of a protracted US-Iran conflict, that failed to abate inflation worries, as was expected following an initial deal. In Q3, developed market ("DM") central banks including the US Federal Reserve ("Fed"), European Central Bank ("ECB") and Bank of Japan ("BoJ") raised policy rates by 25 basis points ("bps") each. The Fed revised its quarterly forecasts to show further upward revisions to growth and inflation, which is now expected to remain above the target through 2028. Both the ECB and BoJ also signalled further tightening ahead given upside risks to inflation. Meanwhile, the Bank of England ("BoE") left its policy rate unchanged. Overall, global equities ended the quarter on a positive note as economic growth remained well supported by the AI-driven investment theme and resilient consumers, while bonds yields rose sharply through the Jul-Sep period.
- US real GDP grew at an annualized rate of 2.2% in Q2 2026, with consumer spending, investment and exports contributing to the expansion. Headline US inflation rose to 3.7% in September 2026 from 3.5% in June 2026. Core inflation was 2.6% in September, matching the June reading. The Fed, at its September meeting, raised the target range for the federal funds rate by 25 bps to 3.75-4.00%. The median FOMC participant now expects the fed funds rate to rise an additional 25 bps by the end of the year, no change in 2027, and rate cuts in 2028 and 2029.
- In Q2 2026, GDP increased by 0.6% (q/q) in the euro area. At its September meeting, the ECB raised the policy rate to 2.5% in response to higher inflation caused by rising energy prices. Headline inflation in the euro area rose to 3.8% in September from 2.8% in June.
- The UK's GDP growth slowed to 0.5% (q/q) in Q2 2026 from 0.6% growth in Q1 2026. Headline inflation in the UK rose to 3.5% in September from 2.6% in June. In its September meeting, the monetary policy committee (MPC) voted 6-3 to keep the policy rate unchanged at 3.75%.

Japan's economy expanded at an annualized rate of 1.4% in Q2 2026, down from 1.9% in Q1 2026. At its September meeting, the BoJ raised its policy rate to 1.25%, the highest it has been since 1995.
China's GDP grew by 4.3% (y/y) in Q2 2026, slowing from 5.0% in Q1 2026, below the lower end of 4.5% to 5.0% full-year target. China's inflation fell to 0.8% in August 2026 from 1% in June. The People's Bank of China's 1-Year Loan Prime Rate (LPR) stands at 3.0%, unchanged since its reduction in May 2025.



Source: Mercer LLC, Refinitiv and Schroders

Asset Allocation – 30 September 2026



*Synthetic Equity exposure with Insight is included within Global Equity.
**Risk Management Framework is made up of Gilts, as well as Insight IWS contribution and Equity Protection collateral.

Source: Northern Trust, RADAR Reporting

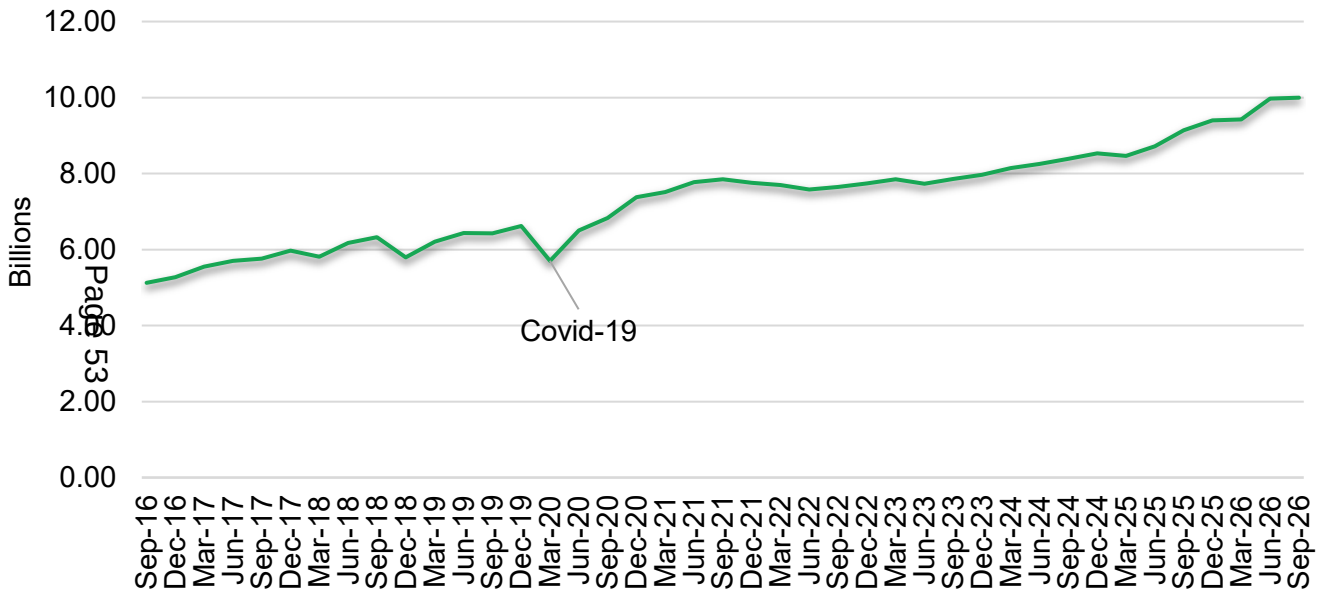
Fund Manager Summary

Asset Class	Fund Manager	Market Value as at 30th of September 2026 (£m)	Market Value as at 30 June 2026 (£m)	Change in MV (£m)	% of Total
UK Equity	Schroders UK Equity	1,171	1,152	19	11.6
	Woodford Equity	2	2	-	0.0
Global Equity	Impax	83	88	-6	0.9
	Baillie Gifford	1,122	1,086	36	10.9
	Robeco Global Stars	799	809	-10	8.1
	Schroders Global Active Value	722	722	-	7.2
	M&G Global Dividend Fund	857	816	41	8.2
	Insight (Synthetic Equity Exposure)	656	650	6	6.5
Emerging Markets Equity	Columbia Threadneedle	356	364	-7	3.6
	Robeco	369	368	1	3.7
Risk Management Framework (inc. Gilts)	Insight	27	59	-32	0.6
Credit	CQS	306	306	0	3.1
	Goldman Sachs	463	471	-9	4.7
	Schroders Strategic Bond Fund	296	303	-7	3.0
	M&G Alpha Opportunities	320	316	3	3.2
Absolute Return	Ruffer	205	203	2	2.0
	Pyrford	270	273	-3	2.7
Property	DTZ	771	771	-1	7.7
	DTZ Pooled Property	103	105	-2	1.1
	DTZ (previously Aegon)	26	26	-	0.3
	M&G Residential Property	32	33	-1	0.3
	Fidelity	20	25	-5	0.3
Infrastructure	Partners Group	388	410	-22	4.1
	Border to Coast	10	-	3	-
Private Equity	HarbourVest	360	351	9	3.5
	YFM	64	59	5	0.6
	Border to Coast	6	-	12	-
Cash	Internal Cash	193	197	-4	2.0
Total		**9,995**	**9,966**	**29**	**100.0**

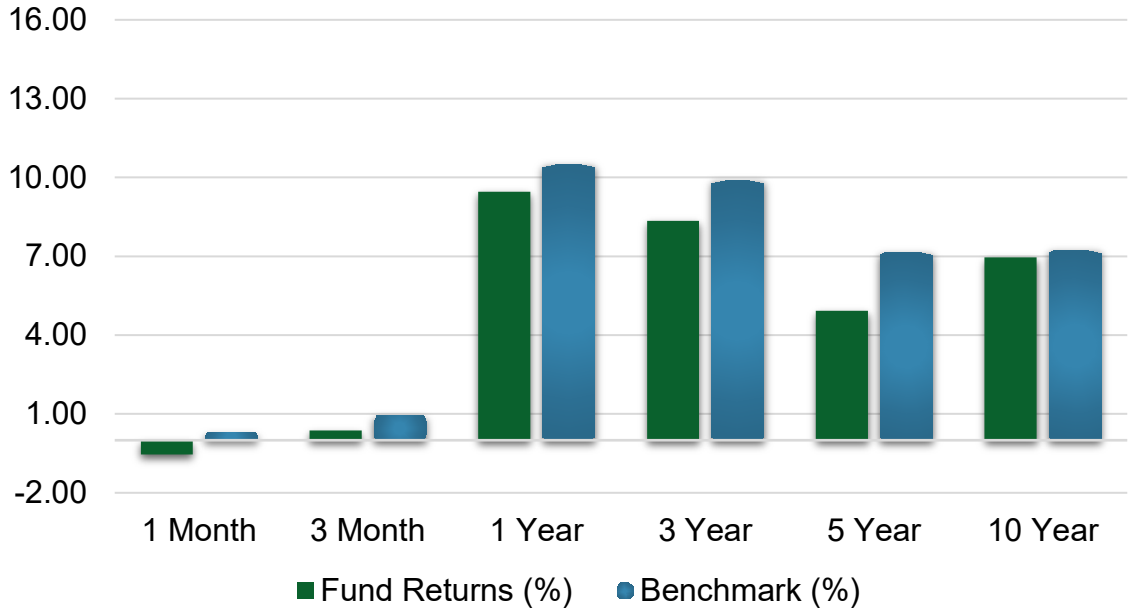
: Northern Trust, RADAR Reporting

Historical Performance

Total Fund Value (£Bn)



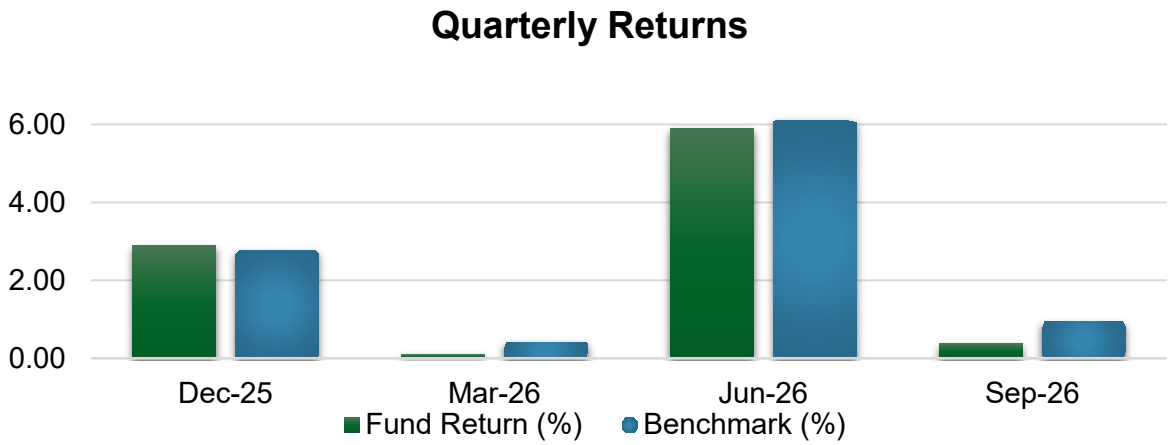
Total Fund Performance vs Benchmark



Source: Northern Trust, RADAR Reporting

Kent Pension Fund

Discrete Performance

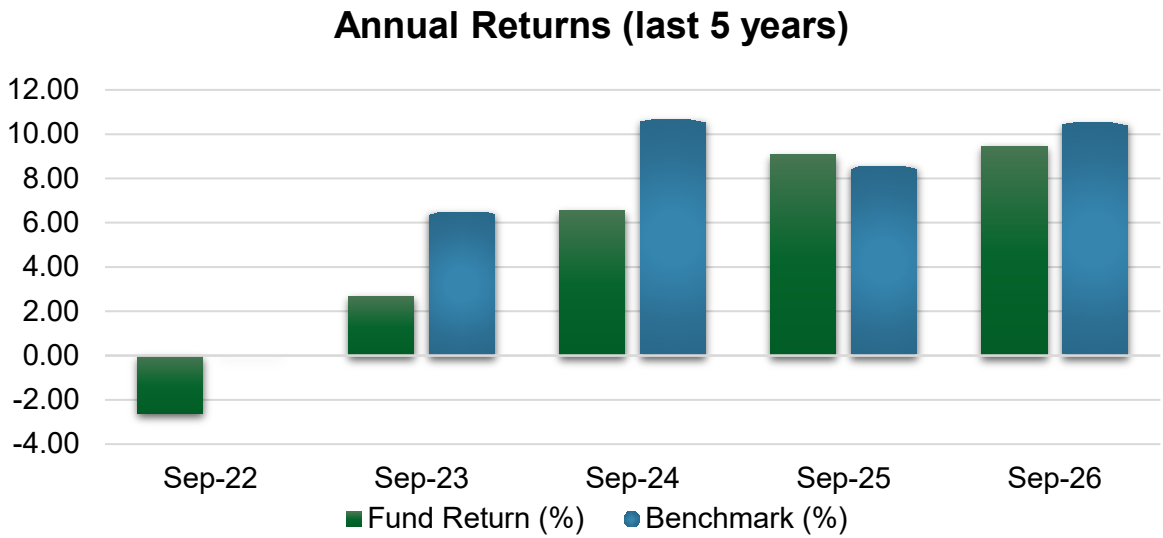


In the quarter to 30 September 2026, the Fund returned 0.4%, underperforming the benchmark return of 0.9%. Global equity markets delivered positive returns, supported by resilient corporate earnings and continued investment in artificial intelligence, although sentiment was affected by geopolitical tensions and uncertainty around inflation and interest rates.

Performance in earlier quarters was mixed with absolute, and benchmark returns for the quarter to 30 June 2026 being supported by large gains in emerging markets, as well as positive returns across the wider equity markets. The quarter to March 2026 saw greater volatility, mostly as a result of the US-Iran conflict which commenced at the end of February.

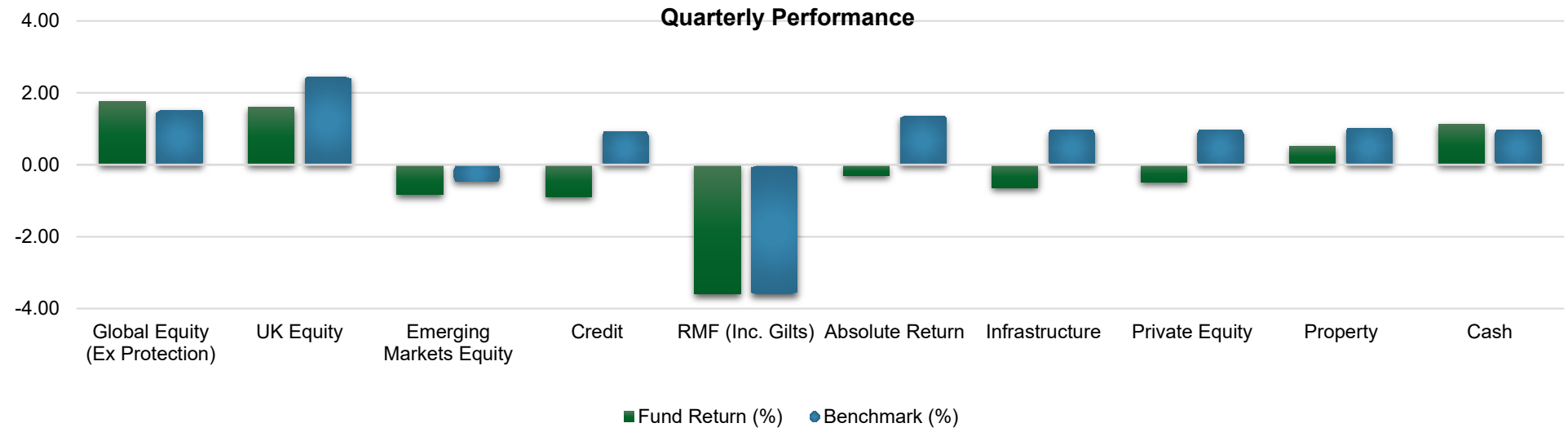
Over the year to 30 September 2026, the Fund returned 9.5%, underperforming the benchmark by 1.0%. Emerging market equities were the strongest relative performer, returning 42.3% against a benchmark return of 31.0%. Absolute return and private equity also marginally outperformed. However, this was offset by weaker performance from global and UK equities, credit, infrastructure and property.

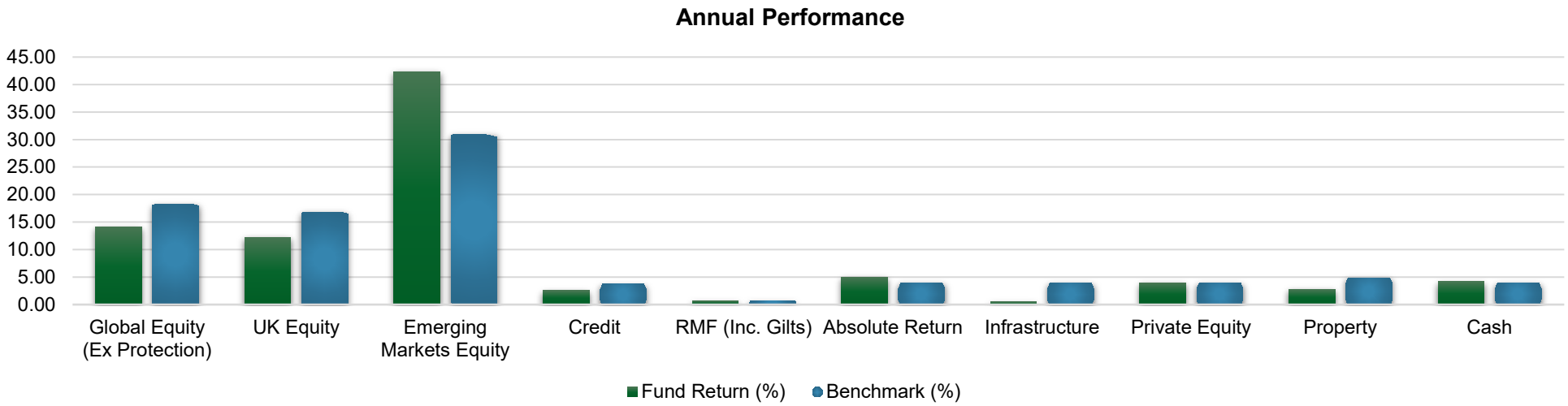
In the earlier years, inflationary pressures and aggressive monetary tightening drove widespread weakness. This sentiment improved as we move from 2022 onwards and returns were supported by large growth in equity markets, however it proved to be a challenging environment for active management as market leadership remained narrow and concentrated in a few large-cap growth stocks. As such, the Fund saw strong performance in absolute terms but lagged the benchmark in some periods.



Source: Northern Trust, RADAR Reporting

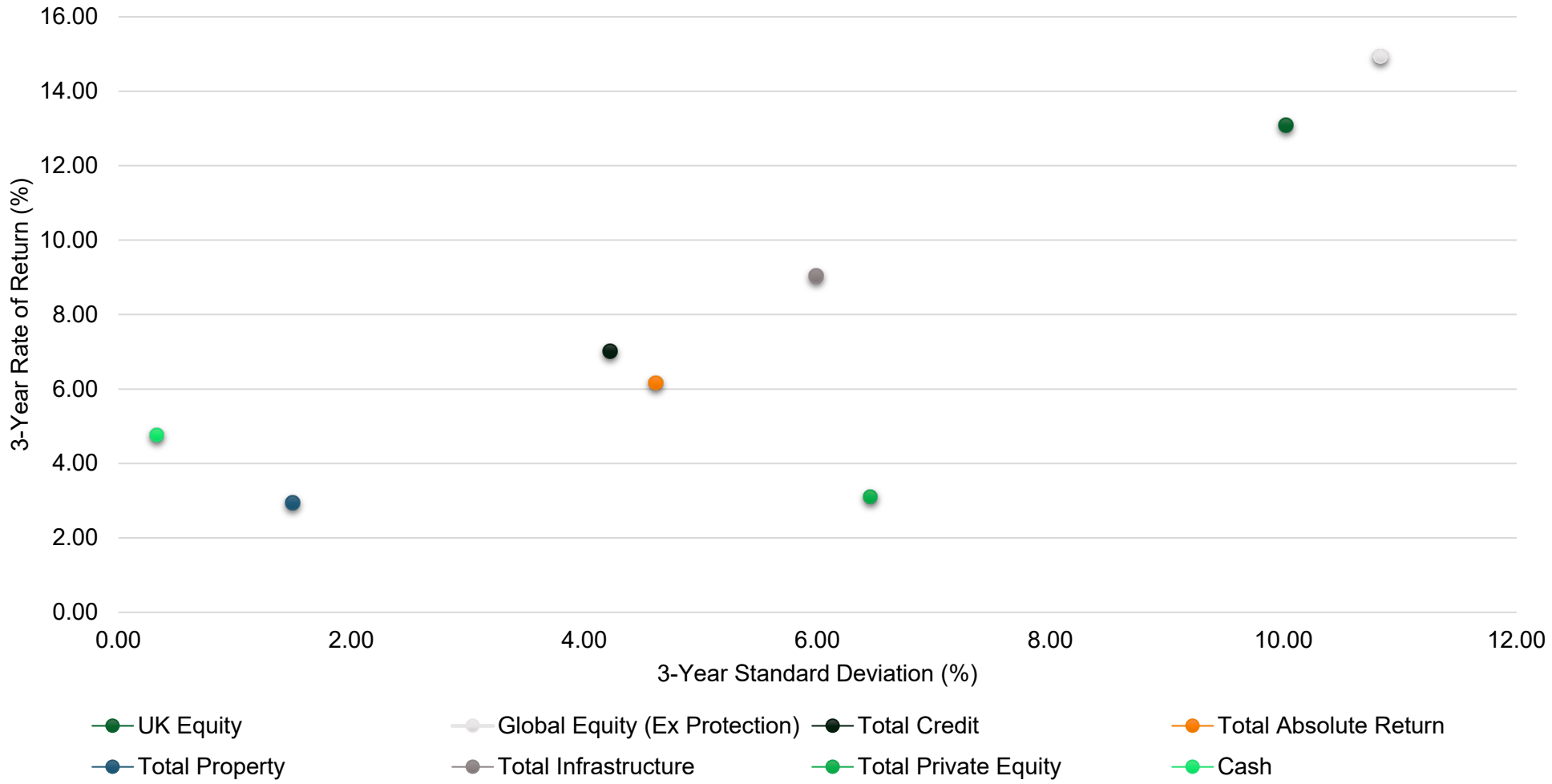
Asset Class Performance





Source: Northern Trust, RADAR Reporting

Risk vs Return – *Asset Class Level*



Source: Northern Trust, RADAR Reporting

Detailed Performance by Manager

	Quarter		1 Year		3 Year (p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Total Fund	**0.4**	**0.9**	**9.5**	**10.5**	**8.3**	**9.9**
UK Equity						
Schroders - WS ACCESS UK Equity Fund	1.6	2.4	12.2	16.8	12.8	15.5
Global Equity						
Baillie Gifford - WS ACCESS Global Equity Core Fund	3.4	1.2	7.6	18.5	12.5	17.1
Schroders - WS ACCESS Global Active Value Fund	0.0	1.5	25.2	18.3	19.6	18.3
Impax	-6.2	1.5	12.7	18.3	7.2	18.3
M&G - WS ACCESS Global Dividend Fund	5.1	1.5	16.5	18.3	17.9	18.3
Robeco GS	-1.2	1.5	13.1	18.3	--	--
EM Equity						
Columbia Threadneedle - WS ACCESS Emerging Markets Equity Fund	-2.0	-0.5	40.7	31.0	--	--
Robeco - WS ACCESS Emerging Markets Equity Fund	0.3	-0.5	43.9	31.0	--	--
Credit						
Goldman Sachs	-1.7	0.9	1.3	3.5	5.8	3.5
Schroders Fixed Income	-2.4	0.9	0.9	3.9	7.1	4.6
CQS	-0.1	0.9	4.5	3.8	8.6	5.6
M&G Alpha Opportunities	1.0	0.9	4.2	3.8	7.3	5.6
Property						
DTZ	0.8	1.0	3.5	4.9	3.6	5.1
Fidelity	-1.5	0.4	-2.5	2.5	3.6	3.6
DTZ (Kames)	-0.9	0.4	-0.4	2.5	2.3	3.6
M&G Property	-3.4	0.4	-5.0	2.5	-2.0	3.6
Private Equity						
HarbourVest	-0.6	1.0	3.6	3.9	2.5	4.6
YFM	0.0	1.0	5.5	3.9	5.6	4.6
Infrastructure						
Partners Group	-0.7	1.0	0.5	3.9	9.0	4.6
Absolute Return						
Pyrford	-1.1	1.3	6.3	3.9	7.0	4.5
Ruffer - WS ACCESS Absolute Return Fund	0.8	1.3	3.4	3.9	4.9	4.5

Source: Northern Trust, RADAR Reporting

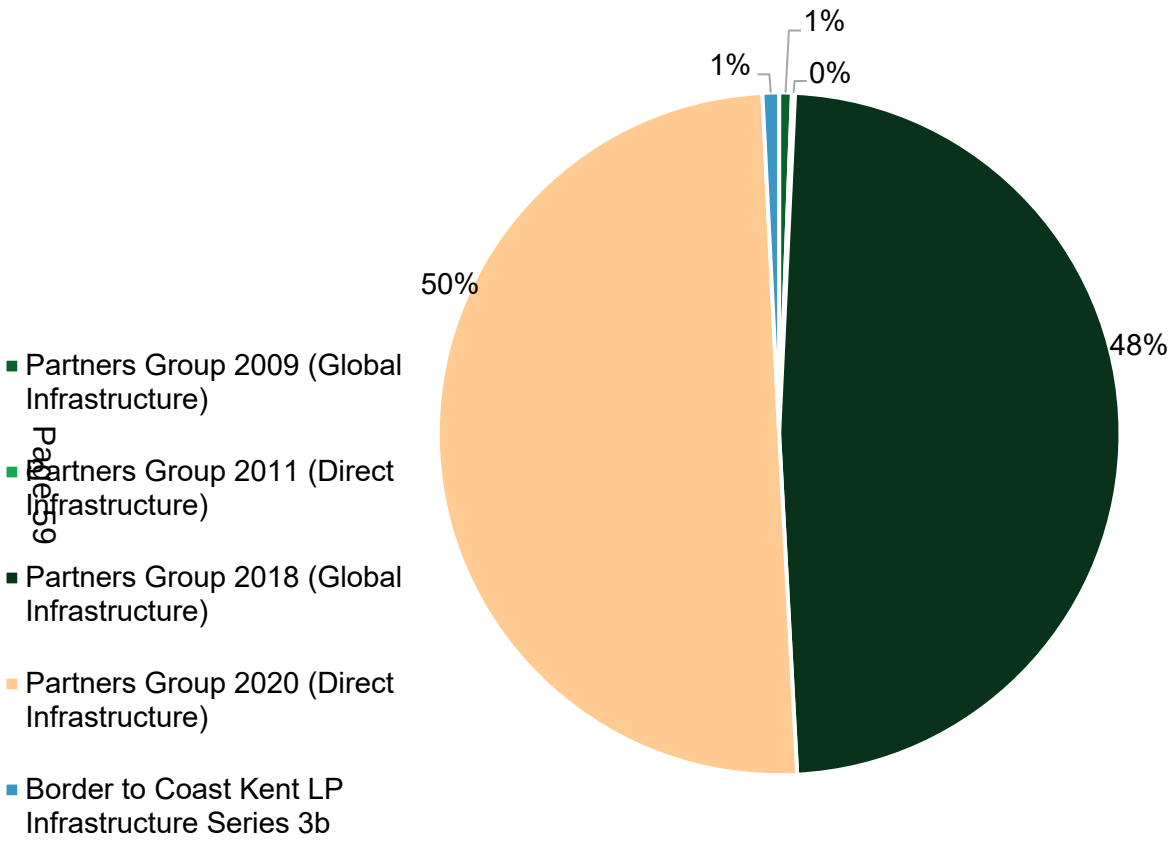
Alternatives Performance

	AS AT 30 SEPTEMBER 2026						
Name of Fund	Value of commitment (£m)	Date of original commitment	Cumulative contributions made (£m)	Distributions received (£m)	Net Asset Value at 30/09/2026 (£m)	IRR	TVPI
HIPEP VI-Cayman Partnership Fund L.P.	31	Oct-10	28.8	56.0	7.0	13.1%	2.11
HarbourVest Partners IX L.P.	53	Oct-10	40.9	95.0	15.6	16.9%	2.43
HarbourVest 2018 Global Feeder AIF L.P.	57	Oct-18	49.6	38.2	47.5	14.1%	1.74
HarbourVest 2019 Global Feeder AIF SCSp	57	Mar-19	49.7	27.5	50.6	13.6%	1.63
HarbourVest 2020 Global Feeder AIF SCSp	57	Mar-20	50.9	10.7	58.8	9.0%	1.40
HarbourVest 2021 Global Feeder AIF SCSp	57	Mar-21	46.0	2.8	51.4	7.5%	1.23
HarbourVest 2022 Global Feeder AIF SCSp	57	Dec-21	34.9	4.0	42.3		1.46
HarbourVest 2023 Global Feeder AIF SCSp	57	Dec-23	30.5	1.8	36.8		1.34
HarbourVest 2024 Global Feeder AIF SCSp	123	Jun-24	44.5	1.2	50.4		1.17
Border to Coast Kent LP Infrastructure Series 3b	200	Aug-26	9.7	-	9.9		
Border to Coast Kent LP Private Equity Fund Series 3b	200	Jul-26	5.4	-	5.4		
Partners Group Direct Infrastructure 2011 S.C.A., SICAR	19	Oct-10	16.5	22.6	0.6	5.7%	1.32
Partners Group Global Infrastructure 2009 S.C.A., SICAR	50	Oct-10	43.3	60.5	2.3	6.9%	1.43
Partners Group Global Infrastructure 2018 L.P. INC	222	Oct-18	180.5	76.5	189.2	9.5%	1.45
Partners Group Direct Infrastructure 2020 LP SICAV RAIF	222	Nov-19	171.3	45.4	195.7	13.0%	1.42
Chandos	6	Oct-07	6.0	6.7	0.0		1.13
YFM Equity Partners Growth Fund 1	10	Oct-14	10.0	19.8	6.7		2.66
YFM Equity Partners Buyout Fund 1	20	Mar-16	18.3	55.7	3.8		3.29
YFM Equity Partners Growth Fund 2	10	Oct-18	10.4	3.4	9.0		1.21
YFM Equity Partners Buyout Fund 2	20	Oct-18	17.1	18.4	13.9		1.92
YFM Equity Partners Growth Fund 3	10	Jun-21	9.5	1.5	10.1		1.13
YFM Equity Partners Buyout Fund 3	20	Sep-23	16.9	-	19.9		1.20

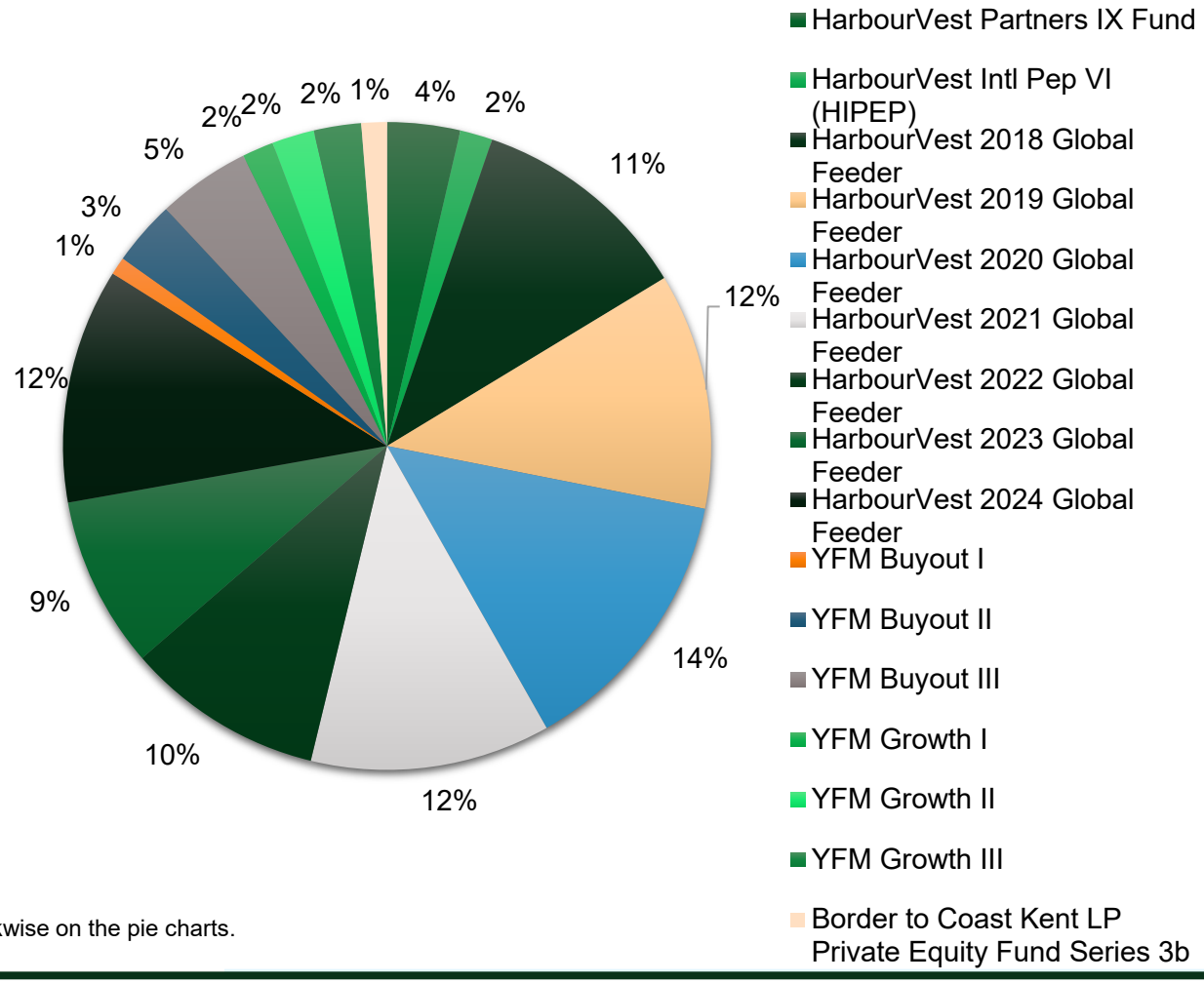
Source: Northern Trust, RADAR Reporting

Alternatives Breakdown

Infrastructure Allocation (£398m)



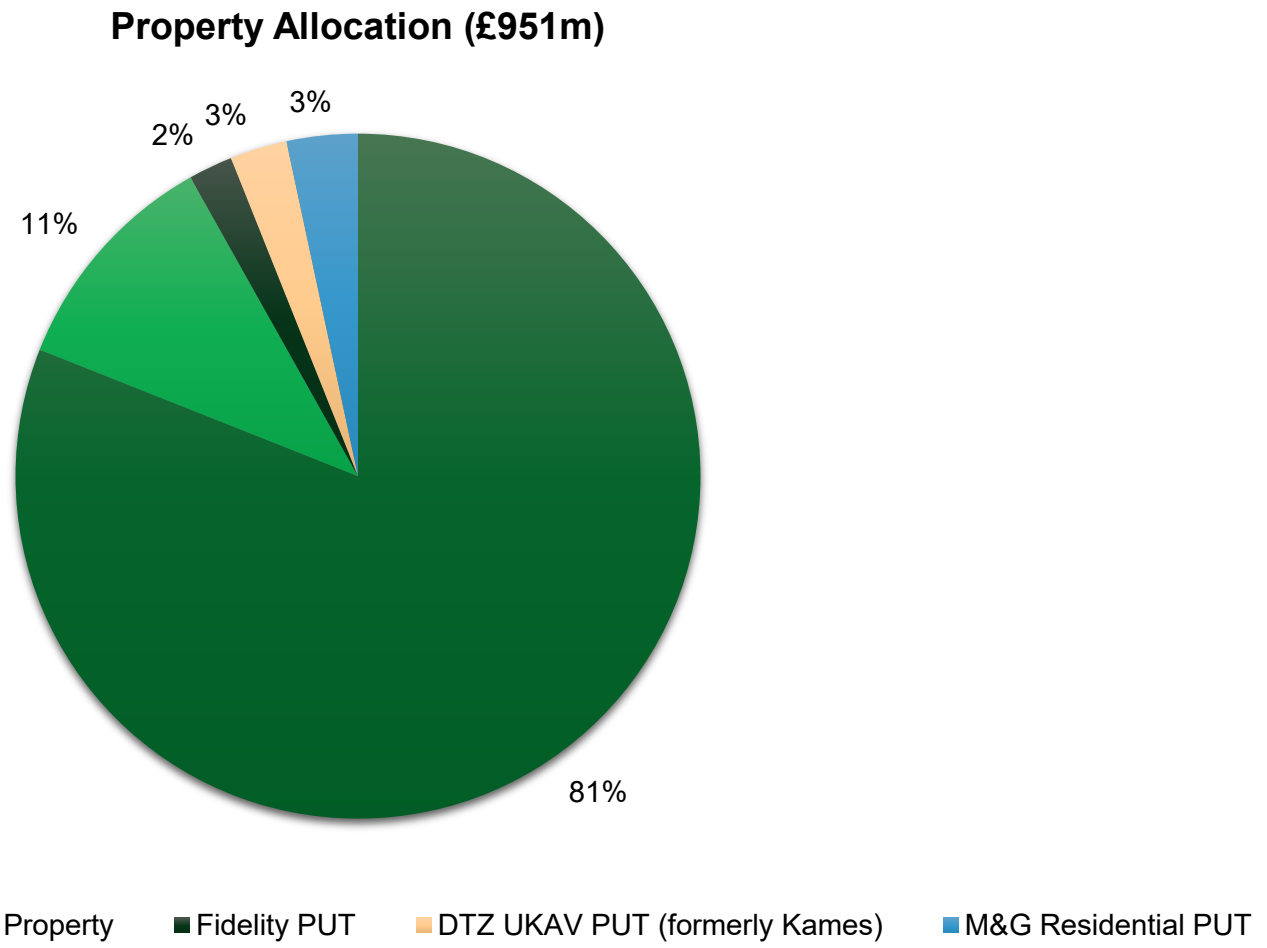
Private Equity Allocation (£429m)



Note: The legend reads clockwise on the pie charts.

Source: Northern Trust, RADAR Reporting

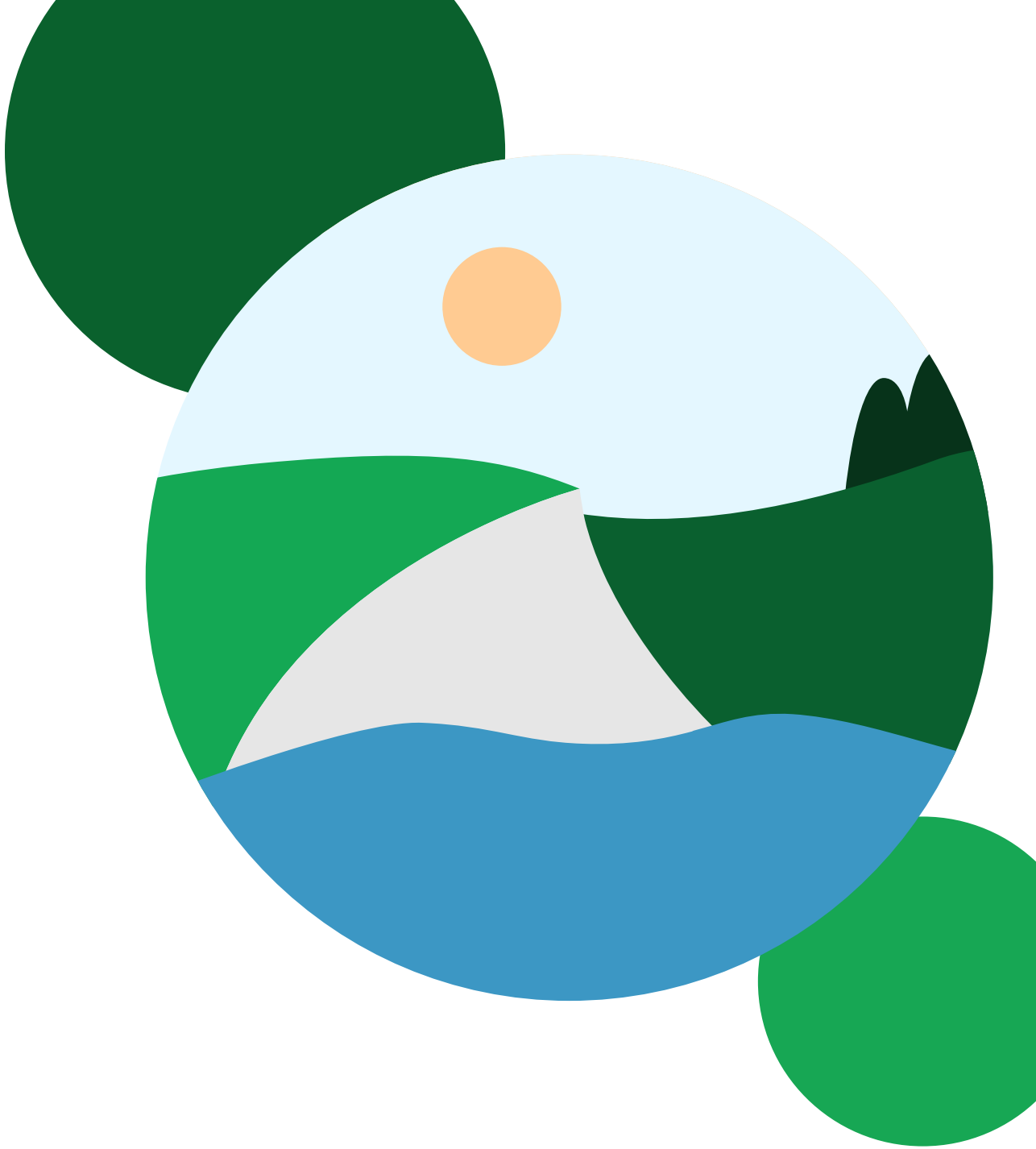
Property Breakdown



Note: The legend reads clockwise on the pie chart.

Source: Northern Trust, RADAR Reporting

Appendix



Kent Pension Fund

Benchmarks and Targets

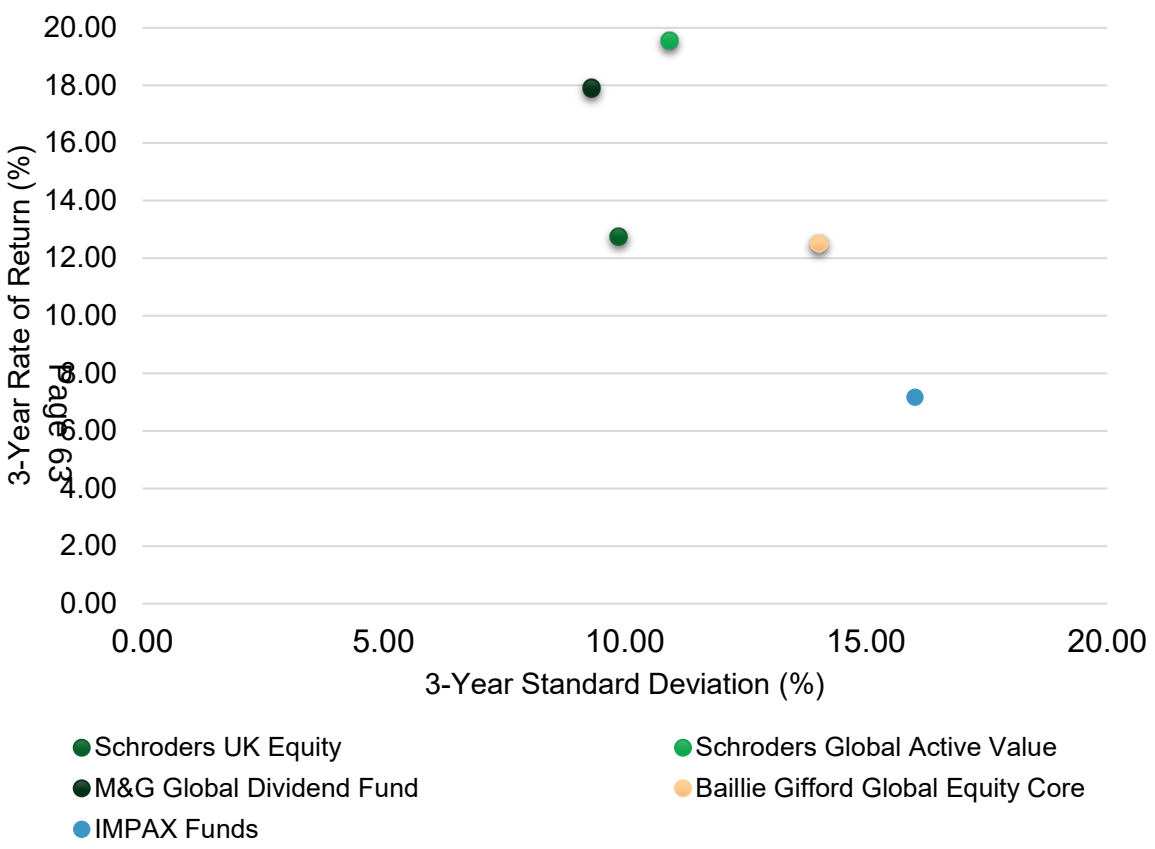
Appendix A

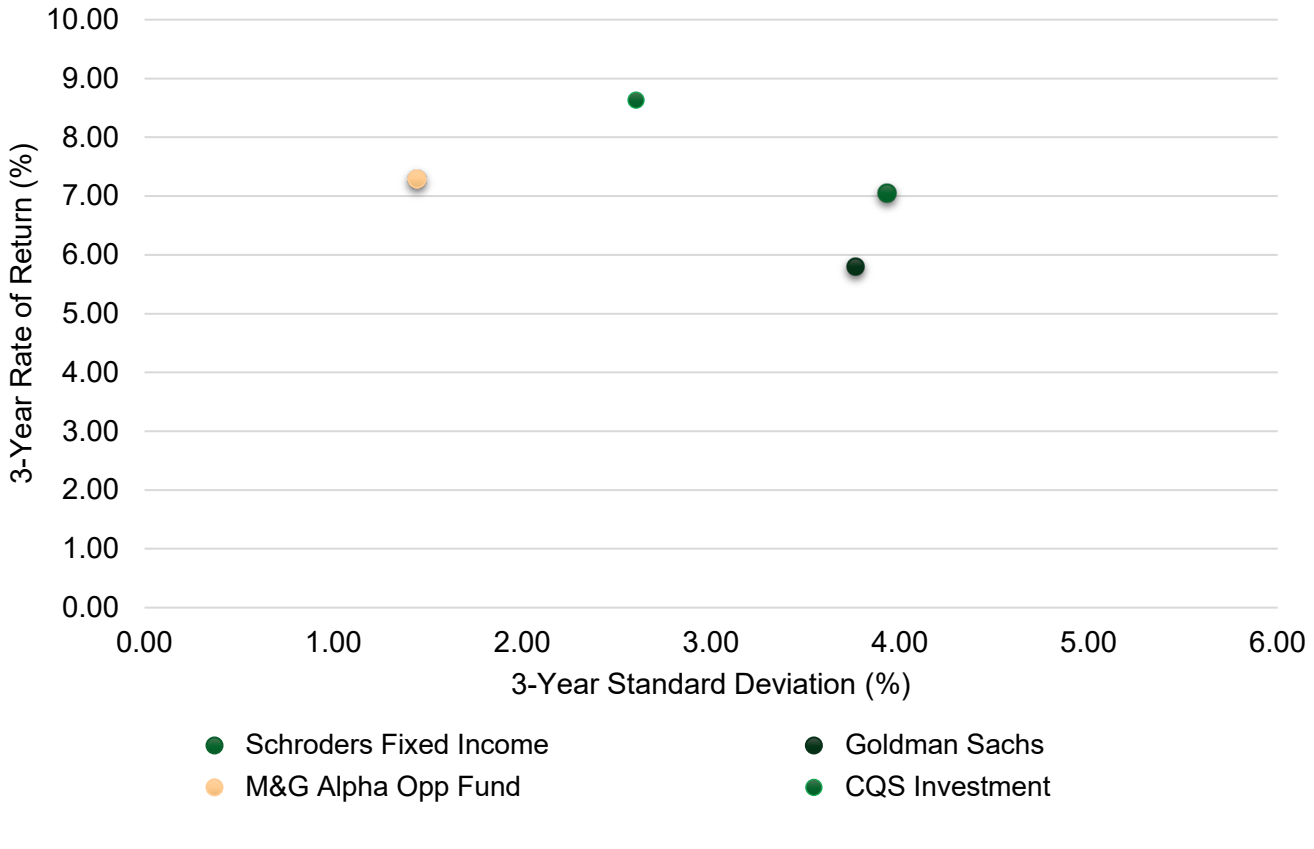
Asset Class / Manager	Performance Benchmark	Performance Target
UK Equities:		
Schroders - WS ACCESS UK Equity Fund	FTSE All Share	+1.5% pa over rolling 3 years
Woodford	FTSE All Share	Unconstrained
Global Equities:		
Baillie Gifford - WS ACCESS Global Equity Core Fund	Regional	+1.5% pa over rolling 3 years
Robeco GS	MSCI AC World Index NDR	
M&G - WS ACCESS Global Dividend Fund	MSCI AC World Index GDR	+3% pa
Schroders - WS ACCESS Global Active Value Fund	MSCI AC World Index NDR	+3% - 4% pa over rolling 3 years
Impax	MSCI AC World Index NDR	+2% pa over rolling 3 years
Emerging Market Equities:		
Robeco – WS ACCESS Emerging Market Equities Fund	MSCI Emerging Markets ND	
Columbia Threadneedle – WS ACCESS Emerging Market Equities Fund	MSCI Emerging Markets ND	
Fixed Income:		
Schroders Fixed Income	ICE BofA Sterling 3-month Gov Bill Index	+4% pa over a full market cycle
Goldman Sachs	+3.5% Absolute	+6% Absolute
CQS	SONIA	SONIA
M&G Alpha Opprtunities	SONIA	SONIA
Property:		
DTZ	MSCI UK All Property Index	≥ 3 year rolling average of benchmark returns
Fidelity	MSCI UK All Balanced Property	
DTZ (Kames)	MSCI UK All Balanced Property	
M&G Property	MSCI UK All Balanced Property	
Alternatives: (Cash / Other Assets)		
Private Equity – YFM	SONIA	
Private Equity – HarbourVest	SONIA	
Infrastructure – Partners Group	SONIA	
Absolute Return – Pyrford	Retail Price Index (RPI)	RPI + 5%
Ruffer - WS ACCESS Absolute Return Fund	Retail Price Index (RPI)	
Internally managed cash – KCC Treasury and Investments team	SONIA	

Source: Northern Trust, RADAR Reporting; Manager reports

Risk vs Return – *Equities and Fixed Income*

Appendix B

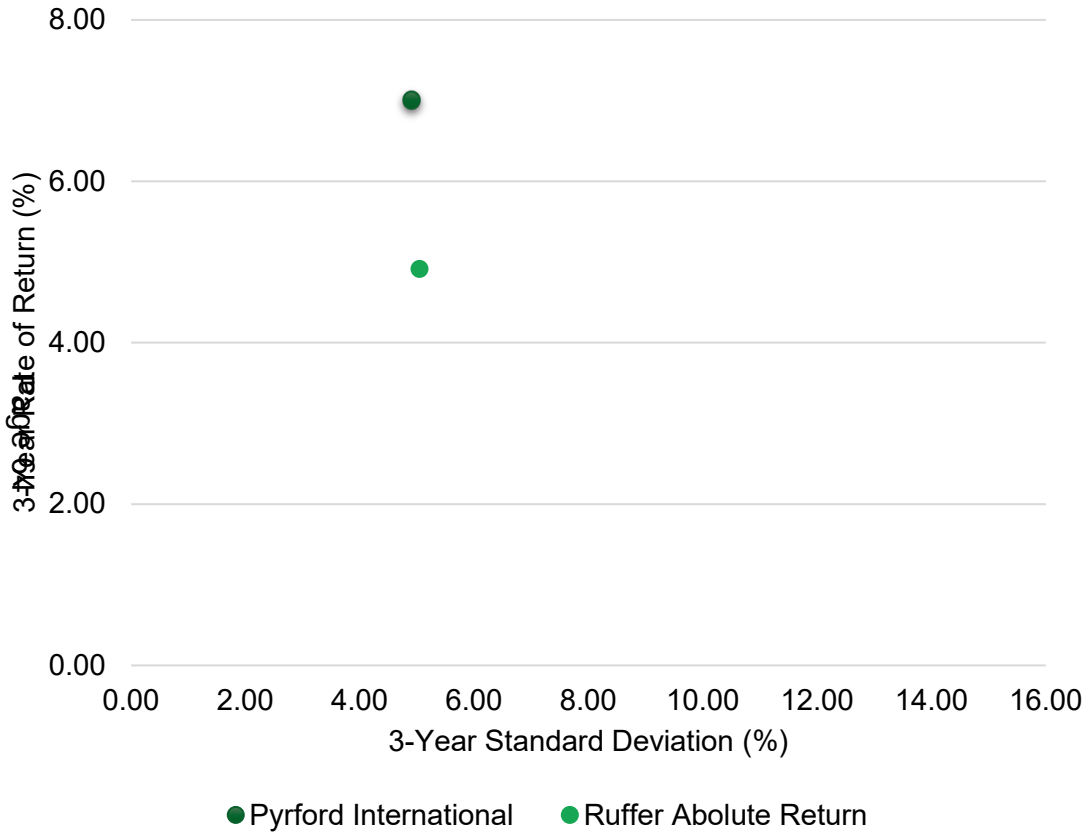


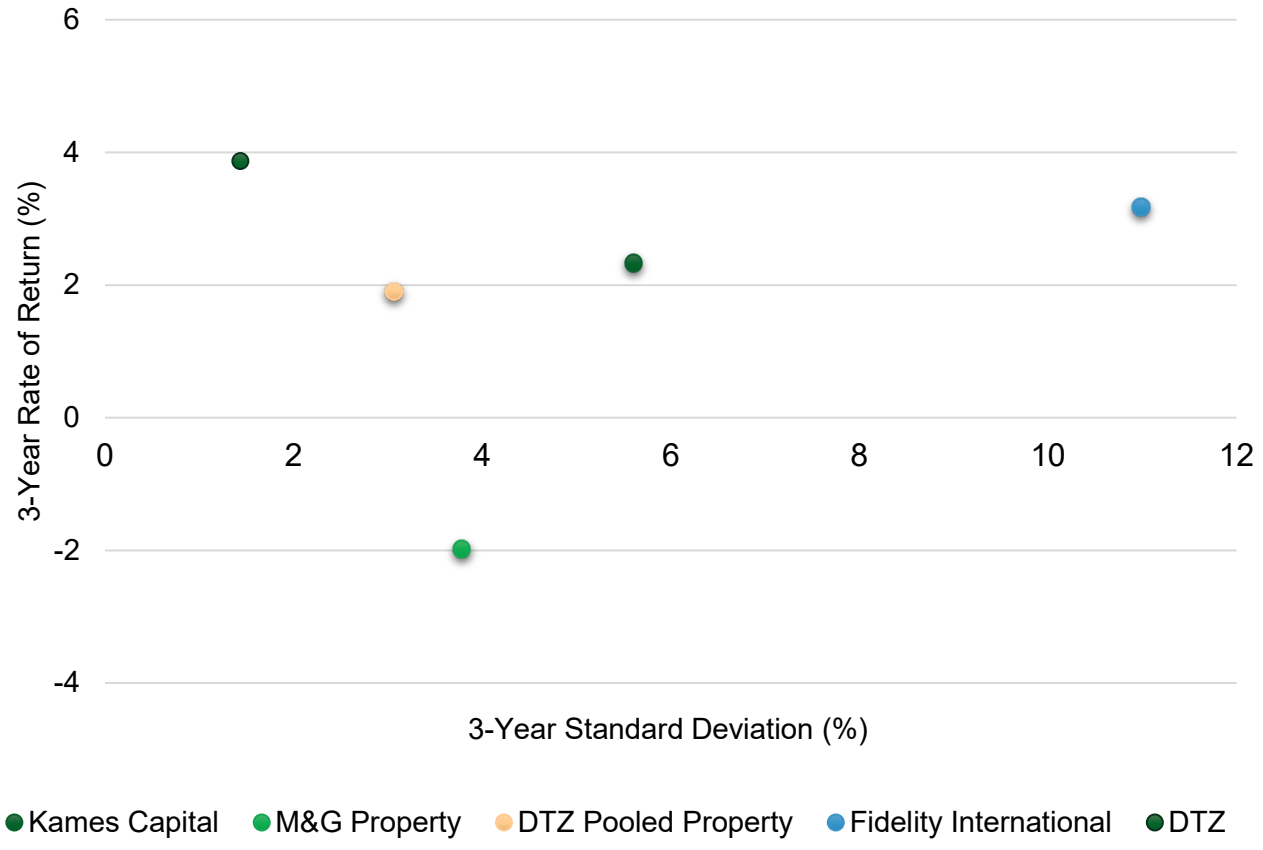


Source: Northern Trust, RADAR Reporting

Risk vs Return – *Absolute Return and Property*

Appendix C

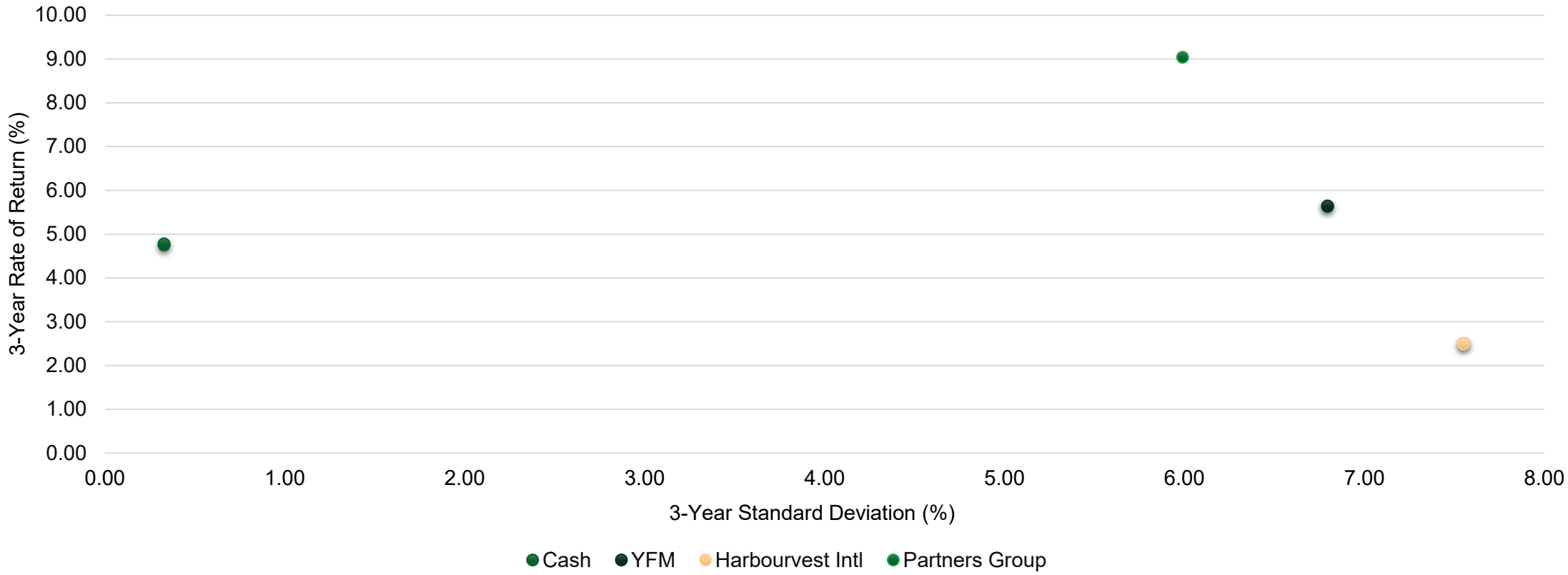




Source: Northern Trust, RADAR Reporting

Risk vs Return - *Alternatives*

Appendix D



Source: Northern Trust, RADAR Reporting

Kent Pension Fund

For more information, please visit

www.kentpensionfund.co.uk

To: Kent Pension Board – 25 November 2026

From: Chairman – Kent Pension Board
Corporate Director of Finance

Subject: Fund Governance

Classification: Unrestricted

Executive Summary:

The Fund's budget outturn for 2026/27 so far, is predicting an **overspend of £375k** as the Fund responds to new requirements.

Good progress has been made on the Fund's Business Plan targets for 2026/27. As per the previous quarter, **McCloud Remedy work** is identified as an area for close monitoring due to the complexity and volume of the work. However, since June, notable progress has been made due to new resources being applied to the project. Meetings are held regularly to monitor progress and assign actions.

Pension Board is asked to review a series of policy documents. A **Governance Strategy** has been created to supersede the previous 'Governance & Compliance Statement 2022' and to incorporate Committee and Board operating arrangements. The Fund's **Training Strategy** 2026 and **Conflicts of Interest Policy 2026** have been updated to align with the latest requirements. The Fund's **Investment Strategy Statement** went through consultation in October 2026. Officers are currently reviewing the feedback received. It is intended that approvals for all these policy documents will be sought from Pension Fund Committee in December 2026. Two new policy documents are currently being prepared: '**Divorce Charges**' and '**Death Grant Payment Discretion;** these will be taken to Pension Board and Committee in 2027.

The Fund will be undertaking the **National Knowledge Assessment** (NKA) again this year. Members of Board and Committee, the Fund's Independent Person and the KCC KPF Senior Management Team will be undertaking the survey between 16 November and 17 December 2026. The results be used to identify a training plan of priority subject areas.

Work has continued as per the Barnett Waddingham Governance Review checklist. Notable developments include agreement from KCC's Full Council to **update the KCC Constitution** (so that the Fund is compliant with the 2026 governance reforms), **the appointment of an Independent Person** and the commencement of **planning for the Fund's first statutory Independent Governance Review.**

Further recruitment activity is planned for 2027 to backfill entry level positions and where post holders have secured internal promotions.

Recommendation:

The Board is recommended to review the report and the comment on the draft updated policies.

FOR INFORMATION

1 Budget Forecast Q2 2026-27

1.1 The Fund's budget for 2026-27 has been compared against the **actual spend for April to September and the forecast spend for the remainder of the year in Appendix One** of this report. A forecast overspend of approximately £375k is anticipated, which is due almost entirely to investment management fees, which is, by far , the Fund's largest expense. However there are a number of other areas where a variance from budget is showing and these are detailed in the following paragraphs.

1.2 **Administration Staffing –** There is some underspend due to vacancies filled later in the year than previously anticipated (due to availability of training and buddy support which is now in place).

1.3 **Investment Consultancy –** Additional commitments to several workstreams relating to investment consultancy have been agreed during the year, as well as receiving more updated costings for projects already included at budget setting. This includes an additional spend on the equity protection unwind project, the governance report for AVC arrangements, disinvestment recommendations for Impax and investment in the Pools Index-Linked Gilt offering, investment strategy review and the risk management framework quarterly reporting.

1.4 **Governance & Projects Team -** Two additional roles have been created which were not included in the original budget setting. One is the project management role which was created to oversee Local Government Reorganisation (and other business change pensions projects). The other is a McCloud senior support resource that has been obtained to provide in-house expertise on a temporary basis due to the volume of data that needs to be reviewed for remedy rectification.

1.5 **Fund Manager Fees -** There has been an increase of £235k in fees, mainly attributed to higher-than-expected growth from our equities investments which have done very well so far this year. On the contrary, fixed income has struggled a little, and fees are slightly lower than originally anticipated.

2 Business Plan – RAG Progress

2.1 Officers have been working on the activity outlined in the Business Plan for 2026/27 for the three areas of the Fund: Investments & Funding; Pensions Delivery; and Fund Governance. Please see **Appendices Two, Three and Four,** which gives an update on each these areas. All activity is shown as green with the exception of the work on McCloud which is shown as amber. The McCloud remedy is a large piece of work for the Fund, which is both technically complex and involves a very high volume of data. Of note is that whilst there is still work to do (please see the Pensions Delivery paper), excellent progress has been made in the previous quarter due to new resources secured internally and externally to assist. Officers will continue to closely monitor the work on McCloud remedy.

3 Position of Fund Policies – November 2026

Policy	Last reviewed	Comment
Communication Policy Communication-Policy.pdf	March 2026	Next review due February 2027
Administration Strategy Kent-Pension-Fund-Administration-Strategy.pdf	April 2023	Awaiting detailed statutory guidance to inform next update. (Expected 2027).
Discretions Policy Administering Authority Discretions in the Local Government Pension Scheme Regulations	Dec 2022	Officers to review Q1 2027
Abatement policy Policy for abatement of retirement pension in new employment	June 2026	Reviewed and updated to incorporate KPF branding. Next review due April 2029
Breaches of Law policy Policy for recording and reporting breaches of the law	June 2026	Reviewed and updated to incorporate KPF branding and changes to KCC contact details for KCC Monitoring Officer and S151. Next review due April 2029
Data Quality Policy Kent Pension Fund Branded Template	March 2026	Next review due March 2027
Divorce Charges	New policy	Policy documentation currently being prepared and reviewed.
Death Grant Payment Discretion	New policy	Policy documentation currently being prepared and reviewed.
Investment Strategy Statement (Dec 2023) Kent Pension Fund Investment Strategy Statement December 2023	Consultation took place Oct 2026	Consultation feedback being reviewed. Updated ISS to be presented to PFC in December 2026 for approval
Funding Strategy Statement Funding Strategy Statement	March 2026	Next review due March 2029 (ties in with triennial valuation cycle)
Governance Strategy (supersedes Governance & Compliance Statement and incorporates operating terms for Committee and Board	New policy	**Please see Appendix Five**. PB to review Nov 2026, ahead of being taken to PFC Dec 2026.
Training Strategy	March 2024	**Please see Appendix Six.** PB to review Nov 2026, ahead of being taken to PFC Dec 2026.
Responsible Investment Policy	June 2024	Officers to work with PFC to develop the RI

Responsible Investment Policy		policy for approval in September 2027
Conflict of Interests Policy **Conflicts-of-interest-policy.pdf**	Dec 2022	**Please see Appendix Seven.** PB to review Nov 2026, ahead of being taken to PFC Dec 2026.

4 Training Strategy

4.1 Further to recent emails, Members of Committee and Board will be aware that the Fund is participating in the National Knowledge Assessment again in 2026. The assessment is required to help inform the Fund's training plans. The online assessment covers 9 topics and went live on 16 November 2026. The assessment is hosted by Hymans Robertson and other LGPS Funds will also be completing the assessment. There will be a 4-week window to complete the assessment with assessments to be completed by 17 December at the latest.

4.2 The assessment consists of a series of multiple-choice questions and takes around 30 minutes to complete. All those that complete the survey will receive an individual score summary. When the assessment has closed, the results will be compiled, and the Fund will be issued with a report summarising the aggregate scores for the Committee and Board separately.

4.3 The summary report received from Hymans Robertson will be presented to Pension Board and Committee in Q1 of 2027. This annual assessment forms part of Kent Pension Fund's training strategy and helps the Fund to show compliance against the new Fund Governance legal requirements, ahead of the Independent Governance Review. The collective results will help identify subject areas for further learning, training and support. The collective results will also be considered against the Fund's previous year's results. The 2026 NKA will be completed by all Members of Board and Committee, the Independent Person and the KCC KPF Senior Management Team (Nick Buckland, Sangeeta Surana, Clare Chambers and Emma Green), in line with the updated LGPS statutory guidance.

5 Governance Review Checklist (Checklist provided by Barnett Waddingham in March 2026)

5.1 Please see **Appendix Eight,** the actions were collated as a result of KPF's pre-IGR exercise. Excellent progress has been made with the actions since June 2026. KCC's Constitution has been updated to include reference to the Independent Person, LGPS senior officer and the new LGPS knowledge and training requirements. KPF Officers were supported by KCC's Democratic Services and Legal Services teams in making these changes to KCC's Constitution. The pathway for these changes was via KCC's Selection Member Services Committee in October and Full Council in November. Constitution - Kent County Council

6 Resourcing

6.1 Resourcing updates since June 2026, across the Fund:

	Total No.	**Details**
Leavers	2	1 x Pension Assistant

		1x Accountant Level 2
New starters (external)	5	2x Pensions Assistant, Engagement & Systems 1x Pensions Project Delivery & Improvement Manager (12-month FTC) 1x Pensions Business Change Project Manager (18-month Secondment) 1x Business Support Assistant
KPF internal promotions	13	1 x Ops Team Manager (12-month secondment) 1x Senior Engagement & Systems Officer 1x Training Officer (12-month secondment) 4x Pensions Officers (12-month secondment) 5x Pensions Administrators (6-month secondment) 1x Accountant Level 2 (6-month secondment)
Recruitment campaigns currently in progress	3	1x Ops Deputy Team Manager 1x Senior Pensions Administrator 1x Pension Board Scheme Member Representative
Remaining vacancies to be advertised in 2027		2 x Pensions Assistants (in E&S Team) 2 x Pensions Engagement & Systems Officer (in E&S Team) 5 x Pension Assistants (in Ops Team) 2 x Pension Administrators (in Ops Team) 4 x Senior Pension Administrators (in Ops Team)

6.2 The Fund has continued to fill vacancies since June 2026, attracting external candidates and through internal promotions. The structure charts on the Member portal indicate where vacancies are held. Across the Service, the Fund now has its most senior roles filled at the level of individual teams. In 2027, the focus will be on recruiting again at entry level, to support further internal promotions in the future.

7 Conclusion

7.1 Further updates to be provided to the Board and Committee in due course.

Appendices:

Appendix One: Draft Budget Outturn 2025/26
Appendices Two, Three and Four: Business Plan RAG reports for activity 2026/27.
Appendix Five: Draft Governance Strategy 2026
Appendix Six: Draft Training Strategy 2026
Appendix Seven: Draft Conflicts of Interest Policy 2026
Appendix Eight: Barnett Waddingham Checklist updates

Emma Green, Senior Governance and Programme Manager

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E: Emma.Green2@kent.gov.uk

Date: November 2026

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Appendix One

Kent Pension Fund Budget Forecast Q2 2026-27

	2026-27 Budget	2026-27 Forecast	Forecast (Overspend)/ Underspend
Administration Staff	4,296,332	4,172,250	124,082
IT Expenses	1,383,295	1,492,828	(109,533)
Data Rectification Project	2,796,143	2,421,459	374,684
Pension Payroll Services	292,969	316,025	(23,056)
Printing and Mailing costs	188,150	279,997	(91,847)
Administration Other	95,796	99,490	(3,694)
Administration Expenses	**9,052,685**	**8,782,049**	**270,636**
Audit Fee	132,460	132,460	0
Audit Fee	**132,460**	**132,460**	**0**
Actuarial Fee	321,076	321,306	(230)
Direct Recovery of actuary, legal fees and admin costs	-348,649	-348,649	0
Investment Consultancy	250,000	357,600	(107,600)
Legal Fees	81,607	81,607	0
Governance Consultancy	55,000	55,000	0
Cyber Security	20,000	20,000	0
Performance Measurement Fees	45,348	45,348	0
External Advice	**424,382**	**532,212**	**(107,830)**
Governance Staff	1,164,502	1,231,193	(66,691)
Governance Other	135,591	143,587	(7,996)
KCC Overheads Recharges	608,198	659,100	(50,902)
Governance and Oversight Expenses	**1,908,291**	**2,033,880**	**(125,589)**
Pooling Costs	934,176	1,095,076	(160,900)
Fund Manager Fees	36,914,810	37,150,152	(235,342)
Custody	47,358	47,358	0
Transaction Costs	10,000,000	10,000,000	0
Investment Management Costs	**47,896,344**	**48,292,586**	**(396,242)**
Total	**59,414,162**	**59,774,359**	**(360,197)**

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Investment and Funding Actions	RAG status re. progress as at 31 October 2026	Notes
Development and implementation of the LGPS Manage and employer database (Action identified in BP for 26/27 and 27/28)	Green - work in progress	LGPS Manage being further developed with Actuary. Oct 2026 - New Employer database in use.
Review Investment Strategy including Risk Management and Strategy (Action identified in BP for 26/27 only)	Green - work in progress	Consultation held Oct 2026. To be taken to PFC in Dec 2026 for approval.
Review, revise and update the Investment Strategy Statement (Action identified in BP for 26/27 only)	Green - work in progress	On track for completion by Dec 2026
Manage transition of assets into the BCPP in an orderly and cost-efficient way (Action identified in BP for 26/27 only)	Green - work in progress	Awaiting completion of Investment Strategy Review as well as development of plans by Pool
Collaborate with ACCESS colleagues to establish an appropriate governance arrangement for orderly wind down of ACCESS Pool (Action identified in BP for 26/27 only)	Green - completed	Updated Inter Authority Agreement signed, with roles and responsibilities agreed with Pools and Waystone
Coordinate implementation of changes to investment strategy with the new pool BCPP Review and update the Fund's Responsible Investment approach (Action identified in BP for 26/27 only)	Green - work in progress	RI review in progress. To be taken to PB and PFC in Sept 2027.

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Pension administration Actions	RAG status re. progress as at 31st October 2026	Notes
Develop a Data Improvement Plan (Action identified in BP for 26/27 only)	Green - action closed. Action completed.	Data Improvement Plan developed and is in use.
Deliver McCloud project – historic Underpin cases (Action identified in BP for 26/27 only)	Amber - work in progress but is technically complex.	Inhouse training delivered and internal working groups established to enable multiple workstreams of activity. Resource strengthened by Oct 2026 appointment of temporary in-house senior project resource. Support continues to be in place from external providers. System developments in testing phase to ensure bulk rectification as much as possible (to reduce manual intervention).
Plan for and deliver Pensions Dashboard project – including data cleansing and clearance of historic casework (Action identified in BP for 26/27, 27/28 and 28/29)	Green - work in progress	Go live date awaited from DIP. Expected to be 2027/2028. Processes being developed based upon feedback from initial external testers (Oct 2026).
Clear historic casework in an efficient and effective way (target end date = 31 March 2028) (Action identified in BP for 26/27 and 27/28)	Green - work in progress.	Third party support being provided in 2026/27.
Ensure that the impact of KCC moving to the Oracle Cloud system is considered and managed effectively (Action identified in BP for 26/27 only)	Green - work in progress.	KCC potential go-live date of Oracle Cloud phase 2 is May 2027. Preparatory work by KPF completed. Officers will support any further requests from KCC's testing team if received.
Procurement of Administration system (current system has contracted use until May 2028) (Action identified in BP for 26/27 only)	Green - work in progress.	New contract must be in place by May 2028. Tender evaluation and moderation completed October 2026. Contract award decision to be taken to Pension Fund Committee Dec 2026.
Prepare for and deliver anticipated regulatory changes including but not limited to:		
Access and Fairness (Action identified in BP for 26/27 and 27/28)	Green - work in progress	June 2026 - Comms sent. Training undertaken. Oct 2026 - Cases have been identified. Next steps involve tracing and recalculations.
Access and Protections (Action identified in BP for 26/27 and 27/28)	Green - work in progress	June 2026 - Comms sent. Training undertaken. Oct 2026 - Officers to continue to monitor the release of guidance so that can be incorporated within KPF processes.
Fit for the Future (Action identified in BP for 26/27 and 27/28)	Green - work in progress	Admin Strategy review to be undertaken when detailed guidance received - expected 2027.

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Fund Governance Actions	RAG status re. progress as at 31st October 2026	Notes
Implement process changes related to regulatory change (i.e. impacting Governance arrangements). (Action identified in BP for 26/27 only).	Green - work in progress	Senior LGPS Officer arrangements in progress. Independent Person apppointment made (Kevin McDonald).
Support the Pension Fund Committee and Kent County Council in decision making to meet Government's Fit for Future pooling requirements (Action identified in BP for 26/27 and 27/28)	Green - work in progress.	Fund moved to BCPP in April 2026. Transition of assets to BCPP will be over next few years due to property requirements. ISS in production.
Ensure smooth transition of accounting processes (including payroll) to KCC's new Oracle Cloud system (Action identified in BP for 26/27 only)	Green - work in progress	KCC iConnect payroll testing completed in July 2026. Local Government and Teachers Compensation Pension separated in payroll August 2026 and budget codes changed from 21 to 29 digits.Go-live date for switch to new Oracle Cloud systems (across all KCC services) is May 2026.
Undertake activity related to Local Government Re-organisation (Action identified in BP for 26/27, 27/28 and 28/29	LGR is on pause in Kent & Medway.	Awaiting further news from MHCLG.

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KENT PENSION FUND

GOVERNANCE STRATEGY 2026

NOVEMBER 2026

Version control

Title	Kent Pension Fund Governance Strategy
Version	1.0
Approved Date	TBC
Approving Body	Pension Fund Committee
Next Review Date	December 2029

Version	Last Modified	Last Modified By	Document Changes
1.0	N/a	JC/EG	Based on KPF Governance and Compliance Statement. Updated to meet requirements of 2026 governance reform: pooling, investment strategy and fund governance.

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1. INTRODUCTION AND LEGAL REQUIREMENTS

1.1 Kent County Council is the Administering Authority for maintaining and managing the Kent Pension Fund on behalf of its stakeholders; the Scheme Members and Employers participating in the Fund. These responsibilities are primarily set out in the Local Government Pension Scheme (LGPS) Regulations (The Local Government Pension Scheme Amendment) (Governance) Regulations 2026. **Please refer to the KCC's Constitution, which sets out the Fund's Terms of Reference and the governance within which it operates.**

1.2 The Local Government Pension Scheme Regulations 2013, Regulation 55A, requires the Administering Authority to prepare and maintain a 'Governance Strategy' setting out whether the authority delegates its functions, or part of its functions to a committee, a sub-committee, or the LGPS Senior Officer of the authority, and if it does so:

- the terms, structure, and operational procedures of the delegation, including the basis on which substitutes may be permitted to attend or act,
- the frequency of any committee or sub-committee meetings.
- whether such a committee or sub-committee includes representatives of Scheme Employers or Members, and if so, whether those representatives have voting rights, or if no such representatives, or representatives with no voting rights, how the authority will ensure views of scheme employers and members are represented
- how the authority will ensure that it has appointed an independent person in accordance with the regulations
- the extent to which a delegation, or the absence of a delegation, complies with guidance given by the Secretary of State and, to the extent that it does not comply, the reasons for not complying;
- An explanation of how the governance structure and any delegation arrangements adopted by the Administering Authority are designed to secure the effective and efficient administration, governance and investment of the scheme for scheme employers, members and other stakeholders, and
- details of the terms, structure and operational procedures relating to the local pension board

1.3 An Administering Authority must keep its Governance Strategy under review and make such revisions as are appropriate at least once in each valuation period and, following a material change to any of the matters mentioned in the strategy.

1.4 Before preparing or revising a statement under this regulation, an Administering Authority must consult such persons as it considers appropriate.

1.5 An Administering Authority must publish (online) its Governance Strategy under this regulation, and any updates made.

1.6 This document is Kent Pension Fund's Governance Strategy. **Please see other separate policy documents prepared for the Fund, in accordance with Regulation 55A: Kent Pension Fund Training Strategy, Kent Pension Fund Conflicts of Interest Policy.** These documents are part of the Fund's governance framework.

2. ABOUT THE KENT PENSION FUND

2.1 Under the regulations, Kent County Council is required to maintain a pension fund for its employees and those of other scheme employers within its area.

2.2 The Annual Report of Accounts provides the Fund's position at the end of each financial year and references the number of members and employers in the scheme.

3. AIMS AND OBJECTIVES

3.1 In relation to the governance of the Kent Pension Fund, the Fund aims to:

- provide a high-quality service whilst maintaining value for money
- ensure compliance with the LGPS regulations, other relevant legislation, and the Pension Regulator's Codes of Practice
- ensure the Fund is managed, and its services delivered by people who have the appropriate knowledge and expertise
- evolve and look for new opportunities, ensuring efficiency at all times
- act with integrity and be accountable to its stakeholders
- understand and monitor risk and compliance
- continually measure and monitor success against its objectives
- ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services is protected and preserved

4. KENT PENSION FUND GOVERNANCE FRAMEWORK

4.1 The Fund's governance structure relates to the Administering Authority's responsibilities only. Kent County Council is also an employer within the Fund, and a separate governance structure and Scheme of Delegation is in place in relation to Kent County Council's employer pension responsibilities.

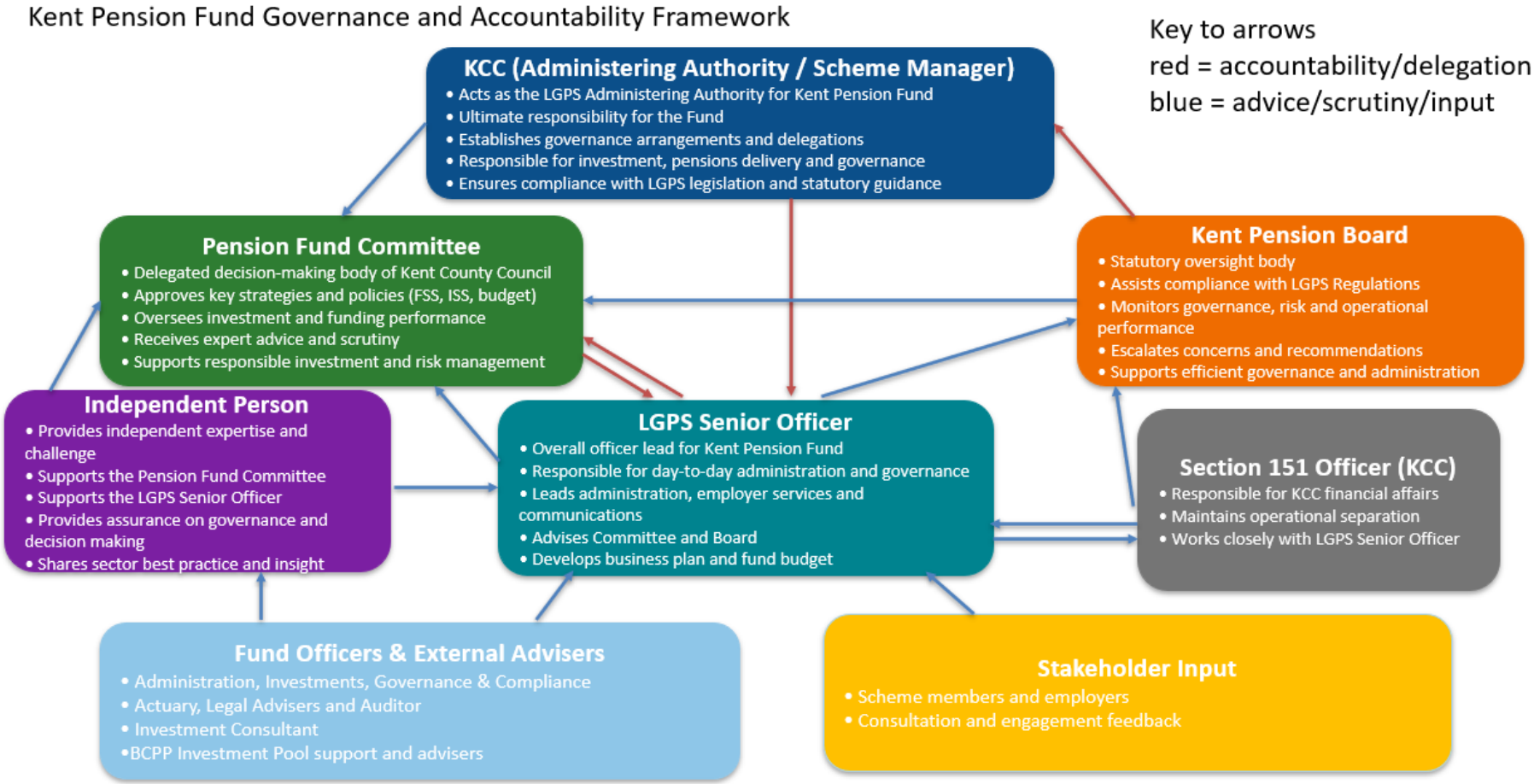
4.2 Full details of the delegations from Kent County Council as Administering Authority are set out in the councils constitution.

4.3 Training and knowledge sharing are vitally important for the Fund's good governance. Please see the full details in the Fund's **Training Strategy**, which outline the Fund's commitment to the statutory requirements.

4.4 **Independent Governance Reviews** will be undertaken as per the statutory requirements. The results of these assessments will be used to strengthen governance within Kent Pension Fund.

4.5 The following is a summary of the organisational and governance structure of the Fund.

Kent Pension Fund Governance and Accountability Framework



5. THE ROLE OF OFFICERS

5.1 The chief officers of Kent County Council have certain statutory and formal responsibilities. Executive powers are delegated to named chief officers (including the LGPS Senior Officer) under the councils constitution. **KCC's constitution sets the parameters within which the officers can implement the Committee decisions and operate the day-to-day business of the Pension Fund.**

6. PENSIONS FUND COMMITTEE – ROLE AND FUNCTION

6.1 **Please see Appendix 1 which sets out the operating terms of the Fund's Pension Committee**. The Pension Fund Committee applies all the powers and duties of Kent County Council (KCC) as the Administering Authority for the Kent Pension Fund (the Fund). The Committee is responsible for:

- monitoring the administration of the Fund, including compliance with Local Government Pension Scheme (LGPS) and other legislation, ensuring that it delivers best value and compliance with statutory and non-statutory best practise guidance where considered appropriate
- determining pension fund policy regarding employer admission and cessation arrangements
- determining, reviewing, and monitoring the Fund's aims, objectives, strategies, compliance statements and procedures relating to the funding strategy, including approving its Funding Strategy Statement
- determining, reviewing, and monitoring the Fund's other aims, objectives, policies, strategies, compliance statements and procedures for the overall management of the Fund, including but not limited to administration, communication, and governance
- setting investment strategy, carrying out regular reviews, and monitoring the Fund's investments
- approving the Investment Strategy Statement
- appointing the Fund's advisers, including actuaries, governance advisers and specialist lawyers (where required) and to periodically review those arrangements
- considering the Fund's financial statements
- approving an Annual Report on the activities of the Fund in line with legislation and guidance

6.2 **Please see Appendix 2 and Appendix 3 which sets out the role of the LGPS Senior Officer and Independent Person, and their interaction with Pension Fund Committee.**

7. MEMBERSHIP OF PENSION FUND COMMITTEE

7.1 The membership of the committee is broken down in the below table:

Voting Members	Members Breakdown	How Nominated or Appointed	Term of office

15 Employer Representatives	11 Members of the County Council (Including Chair)	Appointed by the Council	4 years as appointed at the annual meeting of the Council or as changed from time to time by the Constitution
	3 representatives from the 12 district / borough Councils	Appointed by Kent Leaders Group	4 years from the relevant borough and district elections
	1 Medway Council representative	Nominated	4 years from the relevant Unitary Council elections

Non-voting Members	Members Breakdown	How Nominated or Appointed	Term of office
1 representative of non-local council employers	1 representative of non-local council employers (e.g. Academies, Police, Fire and other scheduled or admitted bodies)	Nominated by other employers in the Fund (e.g. Academies, Police, Fire and other scheduled or admitted bodies)	4 years from date of appointment
3 Member Representatives	1 Pensioner Representative	Invited to apply and selected by a panel comprising the chair of the Pension Fund Committee, the LGPS Senior Officer and the General Counsel (or their nominee)	4 years from date of appointment
	1 Active member Representative	Invited to apply and selected by a panel comprising the chair of the Pension Fund Committee, the LGPS Senior Officer and the General Counsel (or their nominee)	4 years from date of appointment
	1 Trade Union Representative	Nominated by Unison	4 years from date of appointment
1 Independent Person	Independent	Invited to apply and selected by a panel including the chair of the	3 years from the date of appointment

	Pension Fund Committee and the LGPS Senior Officer

8. PENSION FUND COMMITTEE MEETINGS

8.1 The Committee meets 4 or 5 times a year with secretarial support provided by KCC Democratic Services. Browse meetings - Pension Fund Committee - Kent County Council - Council & Democracy

9. QUORUM AND SUBSTITUTES FOR PENSION FUND COMMITTEE

9.1 The Chair of the Committee is one of the 11 County Council representatives and elected by these members only.

9.2 As at October 2026, the political balance of the 11 appointed County Council Representatives is as follows:

- 6 Reform
- 2 Liberal Democrat
- 1 Conservative
- 1 Restore Britan
- 1 Green

9.3 The quorum for a meeting is one third of its total voting membership.

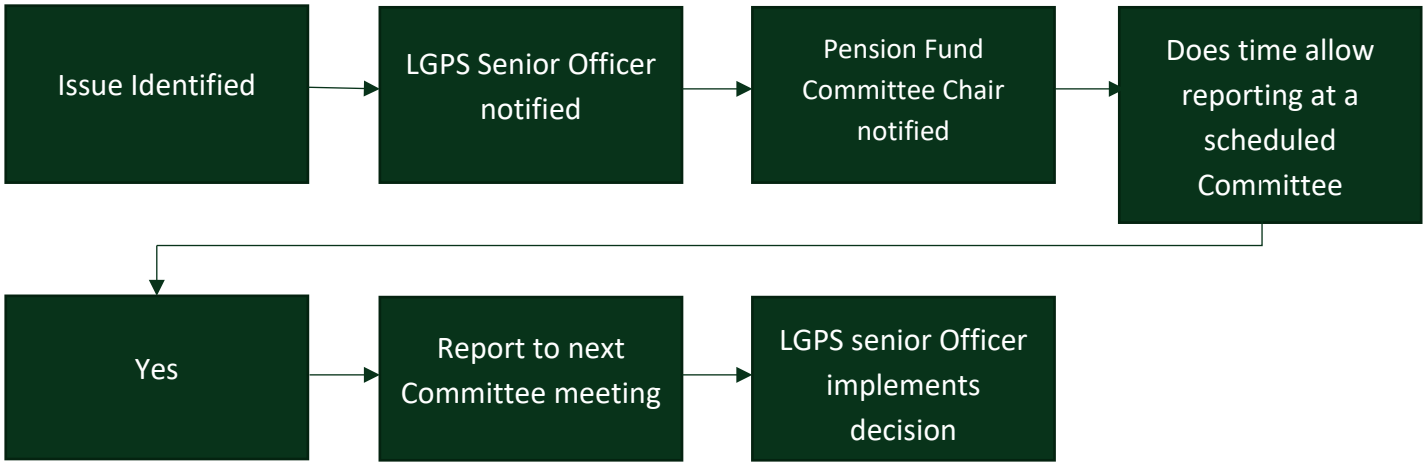
9.4 If a member cannot attend a meeting of the Committee, a nominated spokesperson of their political group or authority may nominate a substitute by written notice to the Clerk.

10. COMMITTEE MEETING GUIDELINES

10.1 All decisions of the Committee must be taken in accordance with the decision-making procedures set out in KCC's Constitution.

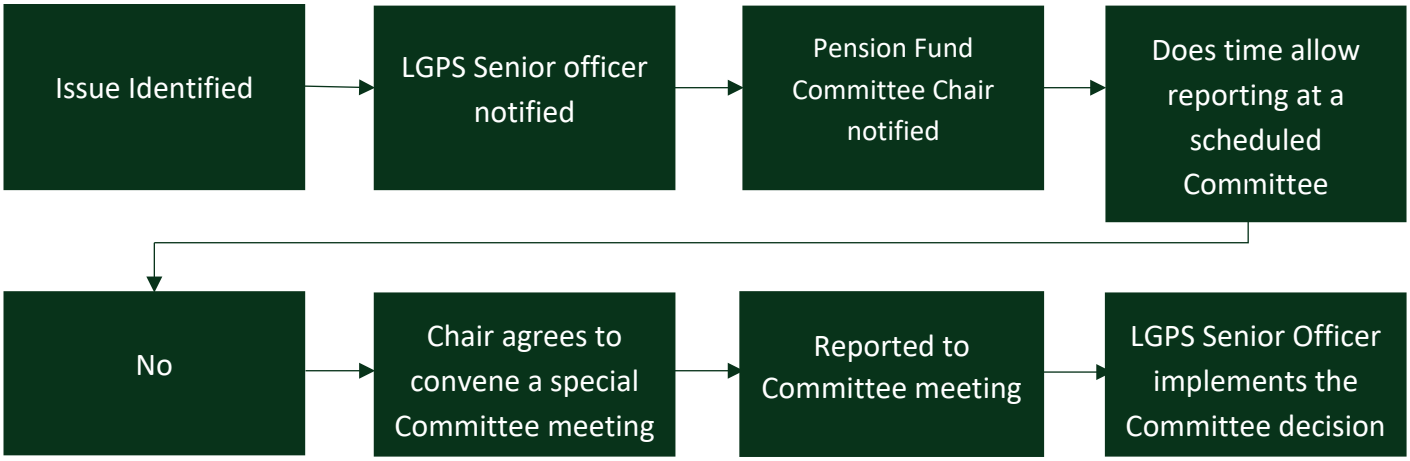
10.2 Scheduled Committee meeting cycle:

- The Committee meets 4/5 times a year, which includes a meeting in February which is available for other purposes or items. Additional meetings may be called as required.
- The majority of decisions required to be made by the Pension Fund Committee are tabled sufficiently in advance to allow Members to receive appropriate briefings and make the decision within the normal meeting cycle.
- At least 5 clear working days are required for the notice of meetings, publication of the agenda and reports.
- The following process is used when there is time to allow a decision to be made at the next scheduled Committee:



10.3 Special/urgent meetings (extraordinary meetings)

- The Fund recognises that good governance requires that on occasion the Committee can respond to urgent matters by taking decisions promptly outside of the scheduled meeting cycle. On such occasions the following processes may be adopted.
- At least 5 clear working days are required for the notice of meetings, publication of the agenda and reports. The process to be used when the Chair agrees to convene a special Committee meeting:



10.4 Shorter notice of meetings

- A meeting may be convened at shorter notice than 5 working days and a copy of the agenda and associated reports must be available to Members when the meeting is convened. Where an item is added to the agenda after it is published then an amended agenda and any report must be available when that item is added to the agenda.

10.5 Delegation to officers

- All decisions must be made at formal meetings and cannot be made for example by email.
- Should a decision be required before the next formal meeting is scheduled or it is not possible to convene a special meeting then according to the constitution decisions relating to the County Council's Pension Fund may be delegated to the LGPS Senior Officer by the Pension Fund Committee.
- The Committee may discuss an issue and resolve that a delegation be made to the LGPS Senior Officer, after consultation with the Chair of the Pension Fund Committee in respect of a future decision. This decision should then be reported to the next scheduled committee meeting.
- The Council scheme of delegation is set out in Section 10 of the Constitution. This scheme also sets out the process for urgent decisions where it had not been possible to put a delegation in place by the Committee.

11. LOCAL PENSION BOARD – ROLE AND FUNCTION

11.1 A Local Pension Board (the Board) was established in 2015 in accordance with regulation 106 of the LGPS 2013 regulations. Its purpose is to assist Kent County Council as the Administering Authority for the Kent Pension Fund to secure compliance with the 2013 regulations and to ensure the effective and efficient governance and administration of the scheme. The role of the Board, as defined by Regulation 106 of the Local Government Pension Scheme Regulations 2013 is to assist the County Council as Administering Authority:

(a) to secure compliance with:

(i) the scheme regulations

(ii) any other legislation relating to the governance and administration of the LGPS Scheme and any connected scheme

(iii) any requirements imposed by the Pensions Regulator in relation to the LGPS Scheme

(b) to ensure the effective and efficient governance and administration of the LGPS Scheme.

11.2 The Board will ensure it effectively and efficiently complies with the Code of Practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

11.3 The Board will also help ensure that the Kent Pension Fund is managed and administered effectively and efficiently and complies with the Code of Practice on the governance and administration of public service pension schemes issued by the Pension Regulator.

11.4 The Board has power to do anything that is calculated to facilitate or is conducive or incidental to the discharge of any of its functions. **Please see appendix 4 which sets out the Board's operational arrangements.**

12. MEMBERSHIP OF PENSION BOARD

12.1 Membership of the Pension Board is made up as follows:

Members	Members Breakdown	Nomination or Appointment Process
4 Employer representatives	2 drawn from the County Council	Appointed (not members of Pension Fund Committee)
	2 Members representing other employers (e.g. District, Borough and Parish Councils, Academies, Police, Fire and other scheduled or admitted body employers in the Kent Pension Fund)	Nominated by other employers in the Fund
4 Scheme member representatives	1 Trade Union representative	Nominated by Unison
	3 other representatives (at least one employee and one pensioner representative is desirable)	Appointed by the Scheme Manager following the approval of their nomination by the Appointments Panel made up of the following: - Chair of the Pension Fund Committee, - LGPS Senior Officer - the General Counsel (or their nominee)
1 Independent Member	1 member from an external source	Appointed by the Scheme Manager following the approval of their nomination by the Appointments Panel

13. TERMS OF OFFICE FOR PENSION BOARD MEMBERS

13.1 Membership will be for 4-year renewable periods with a maximum of 8 years.

14. MEETING CYCLE FOR PENSION BOARD

14.1 The Board meets quarterly. The LGPS Senior Officer will be responsible for providing professional advice to the Board and secretarial support will be provided by KCC Democratic Services. Find out about the board meetings including unrestricted meeting papers.

15. QUORUM FOR PENSION BOARD

15.1 The Board shall have a quorum of a third of the membership, or no fewer than 3 Members which should always include the Chair or the Vice Chair, at least 1 employer representative and at least 1 member representative.

16. SUBSTITUTES FOR PENSION BOARD

16.1 Each Board member should endeavour to attend all Board meetings during the year. Substitutes are allowed for 2 member representatives and for 2 employer representatives providing they undertake the training and development.

17. INVESTMENT POOLING

17.1 Kent Pension Fund has historically participated in the ACCESS Pool in line with LGPS investment pooling requirements. Following consideration of the Government's "Fit for the Future" reforms and the evolving requirements for LGPS asset pooling, the Fund decided to join the Border to Coast Pensions Partnership.

17.2 The Fund is currently undertaking a phased transition of assets from ACCESS-managed investment arrangements to Border to Coast investment vehicles. This transition is being implemented over an agreed programme to ensure continuity of investment management, effective risk control and best value for scheme members and employers.

17.3 The Pension Fund Committee receives regular reports on the progress of asset transitions, pool governance arrangements, performance and costs, ensuring effective oversight throughout the migration process.

18. BORDER TO COAST PENSIONS PARTNERSHIP

18.1 Border to Coast Pensions Partnership is made up of 18 Local Government Pension Scheme Administering Authorities:

- Bedfordshire Pension Fund
- Cambridgeshire Pension Fund
- Cumbria Pension Fund
- Durham County Council
- East Riding Pension Fund
- East Sussex Pension Fund
- Essex Pension Fund
- Hertfordshire Pension Fund
- Kent Pension Fund
- Lincolnshire Pension Fund
- Northamptonshire Pension Fund
- North Yorkshire Pension Fund
- South Yorkshire Pension Authority
- Surrey Pension Fund
- Teesside Pension Fund
- Tyne and Wear Pension Fund

- Warwickshire Pension Fund
- West Sussex Pension Fund

18.2 Border to Coast is responsible for implementing the Fund's Investment Strategy Statement through the pooled investment arrangements.

19. BORDER TO COAST JOINT COMMITTEE

19.1 The Joint Committee (JC) is constituted from all 18 Partner Fund pension committee chairs (or an alternate councillor nominated by the Partner Fund) and meets quarterly. The Committee's Chair and Vice Chair are elected by the Committee Members on a biennial basis. 2 scheme member representatives attend as non-voting Members to make the Committee aware of scheme member views on issues it is considering and to enable feedback to scheme members on its decisions and debates. Scheme member representatives are elected by Partner Fund pension boards, with each board able to nominate 1 candidate from its scheme member representatives for periods of 3 years with no term limits. To be eligible, an individual must be a member of one of the Partner Funds and a scheme member representative on a Partner Fund pension board. The JC has been appointed by the 18 Administering Authorities under s102 of the Local Government Act 1972, to exercise specific functions in relation to the pooling of LGPS assets.

19.2 The primary purpose of the Joint Committee is to oversee the investment performance of the collective investment vehicles operated by Border to Coast and the delivery of investment-related services provided to the Partner Funds. It acts as the principal forum through which Partner Funds engage collectively with Border to Coast, helping to shape its strategic direction and ensuring that the company continues to meet the needs of its investors and shareholders.

19.3 The Joint Committee is further supported by Administering Authority LGPS Senior Officers, Monitoring Officers and the Officer Operations Group (OOG), which is constituted from designated officers from each Partner Fund. These groups meet to discuss issues and input to elected members and the Pool as required. The OOG works collaboratively to carry out due diligence over the Company's investment capabilities. To support this, Investment and Responsible Investment sub-groups of the OOG have been established. The OOG and its respective sub-groups each meet quarterly, part attended by representatives of the Company and part in closed session.

19.4 The Border to Coast Customer Relationship Management (CRM) team provides the day-to-day support for running of the Pool and acts as the primary interface between Border to Coast and its Partner Funds. The team is responsible for maintaining strong stakeholder relationships, coordinating engagement and communications, supporting governance activities, and ensuring Partner Fund requirements and perspectives are reflected in Border to Coast's strategic and operational decision-making

20. APPROVAL AND REVIEW

20.1 The regulations require that consultation is required as part of the preparation of this Governance Strategy with such persons as the Administering Authority 'considers appropriate'. Consequently, Officers of Kent Pension Fund consulted with Pension Board and Pension Fund Committee prior to preparing this policy, when it was acknowledged that the 2026 fund governance reforms required new policy requirements. A draft of this

Governance Strategy was taken to Pension Board on 25 November 2026 for scrutiny. A final draft was taken to Pension Fund Committee on 15 December 2026 for approval. The Fund's Pension Board includes employer and scheme member representatives. The Fund's Committee includes employer and scheme member representative and the Fund's Independent Person.

20.2 This Governance Strategy will be updated to include any recommendations identified during Independent Governance Reviews. In addition to this, this Governance Strategy will be formally reviewed and updated if the governance arrangements or other matters included within it merit reconsideration. Furthermore, in any event, the review cycle of this Governance Strategy will not exceed 3 years.

APPENDIX 1: PENSION FUND COMMITTEE OPERATING TERMS

1.1 Please refer to KCC's Constitution.

1.2 Members are expected to attend at least 2 meetings of the Committee per year.

1.3 Dual membership with the Local Pensions Board and Pension Fund Committee is not permitted.

1.4 Kent Pension Fund Committee - decision making procedure:

- Identify/clarify the issue.
- Conflicts of interest have been declared and recorded in the minutes.

Committee Members may have other roles and responsibilities which cause them to have other personal, business, or other interests which could affect their fiduciary duty to act in the best interest of the Fund. By declaring these conflicts and recording them in the minutes of the meeting, it provides an accurate record and clarity around who was involved in the decision.

- Review all available information and supporting papers from officers relevant to the decision which needs to be made.

The Council's Constitution requires that decisions are made based on all relevant information/evidence. By reviewing supporting papers from the finance function, the Committee is ensuring that it follows procedure and continues to represent good practice. This also allows for decisions to be made using accurate, up-to-date, unbiased information, ensuring the Committee is acting in the best interests of the Fund.

APPENDIX 2: LGPS SENIOR OFFICER (EXTRACT TAKEN FROM STATUTORY GUIDANCE 'LOCAL GOVERNMENT PENSION SCHEME: FUND GOVERNANCE' - SECTION 3, JUNE 2026)

1.1 Regulation 53A of the LGPS Regulations 2013 requires every Administering Authority to have an LGPS Senior Officer. The LGPS Senior Officer is responsible for ensuring the Administering Authority is appropriately managed and resourced in respect of all matters of the Scheme. This includes administration, investment and governance. This guidance constitutes the guidance referred to in regulation 53A.

What the role covers

1.2. The LGPS Senior Officer is responsible for all aspects of managing the LGPS within the Administering Authority. They should be a visible, accountable leader within the Administering Authority. Their responsibilities include, but are not limited to:

- responsibility for the day-to-day management of the Administering Authority across all pension functions, including (but not limited to) investments, administration, funding, and governance and communications
- ensuring compliance with scheme regulations, statutory guidance, other relevant legislation and The Pension Regulator's General Code

- responsibility for key performance indicators (KPIs) and ensuring high-quality service to scheme members
- ensuring that draft strategies such as the Investment Strategy Statement, Funding Strategy Statement and Administration Strategy, are prepared in accordance with legislation and guidance (the final strategy is a delegated responsibility of the Pension Committee or officer)
- responsibility for implementing strategies approved by the Pension Committee (with the exception of the Investment Strategy Statement, which is implemented by the relevant asset pool company)
- responsibility for the administration of the scheme
- responsibility for meeting expectations for timely and accurate pension payments
- responsibility for effective contract management, managing suppliers and holding them to account for performance
- responsibility for robust monitoring and review of employer risk, participation in the fund and importance of clear, timely communications with employers
- ensuring that LGPS functions are well resourced and structured
- responsibility for the LGPS workforce and safeguarding the fund from being impacted by policies implemented by the AA
- ensuring that LGPS functions deliver good value for money
- ensuring that the decision-making body – be it a pension committee or delegated to an officer - has access to adequate professional advice on all areas, including actuarial, governance, legal and procurement advice
- ensuring that the local pension board is adequately resourced to carry out its role effectively as assisting the scheme manager
- ensuring a training needs analysis is undertaken by those covered by the Training Strategy including Committee Members, and the recommendations implemented
- identifying and managing risks to the Administering Authority with a strong culture of risk management
- supporting the effective governance of the Administering Authority and appropriate implementation of the governance strategy in accordance with guidance
- ensuring that the Administering Authority carries out Independent Governance Reviews as required by regulation 116A of the LGPS Regulations 2013 and develops an action plan in response to any recommendations or findings
- representing the interests of the LGPS fund within the local authority's senior leadership team; working with senior stakeholders and ensuring that plans, policies, and resource allocation by the local authority's senior leadership team take into account the requirements and duties associated with the LGPS fund

- ensuring that the Administering Authority participates appropriately in the governance structures of the investment pool as shareholder or client representative, depending on the governance set up of the pool
- monitoring the pool's performance in implementing of the investment strategy and whether the collective pool oversight process is meeting the requirements of the Administering Authority

1.3. The LGPS Senior Officer has a responsibility to ensure that LGPS functions are well resourced and structured. The LGPS Senior Officer is responsible for drawing up the fund's budget and business plan and then agreeing it with the Pension Committee. Both the Pension Committee (or equivalent) and LGPS Senior Officer must be satisfied with the resource and budget allocated to deliver the LGPS service over the time period set out in the business plan. Pension fund budget-setting should be entirely separate from that of the local authority and should not be subject to any resource or budget restrictions that may apply across other functions of the local authority, as all Administering Authority costs are met by the fund itself.

1.4. The LGPS Senior Officer should have a direct relationship with the Independent Person and the Pension Board chair, in order to draw on their expertise and consider any recommendations or concerns they may raise.

1.5. Where the administering authority chooses to delegate pensions functions to an officer, it should be to the LGPS Senior Officer. Senior officers should be involved in the development and approval of all fund strategies including the Funding Strategy Statement and Investment Strategy Statement, although the final approval of such strategies is still for the Pension Fund Committee.

APPENDIX 3: INDEPENDENT PERSON (EXTRACT TAKEN FROM STATUTORY GUIDANCE 'LOCAL GOVERNMENT PENSION SCHEME: FUND GOVERNANCE' - SECTION 4, JUNE 2026)

1.1 Regulation 53A of the LGPS Regulations 2013 requires every Administering Authority to appoint an Independent Person to support the LGPS Senior Officer and the pensions committee or equivalent officer(s) that the Administering Authority delegates its pension functions to. Regulation 53A also requires the appointment to be in accordance with guidance issued by the Secretary of State.

What the role covers

1.2 The Independent Person's role is to support the LGPS Senior Officer and support and contribute to pension committees - where these exist - or support delegated officers, where not.

1.3 The Independent Person should support pension committees by providing independent and professional expertise including to support committees to scrutinise and challenge the advice they receive. The role is similar to that of a Non-Executive Director or Professional Trustee. Their responsibilities cover all functions of the pension committee or its equivalent, including decisions on investment strategy, governance, administration and the role of the Administering Authority as a shareholder or client of its asset pool company.

1.4 The Independent Person's duties should include, among other things:

- to support and contribute to the development of all strategies for which the pension committee is responsible
- to scrutinise any advice given to the committee, whether from the pool or any other organisation or individual
- to help monitor and assess performance against targets set in LGPS strategies, including administrative performance and the pool's implementation of the investment strategy, and help monitor whether the collective pool oversight process is meeting the requirements of the Administering Authority
- to support consideration of the committee's governance arrangements, including any action plans arising from Independent Governance Reviews
- to contribute in any other way appropriate to the authority's LGPS functions

1.5 The Independent Person should provide additional scrutiny and challenge, by virtue of their being fully independent from the Administering Authority.

APPENDIX 4: PENSION BOARD OPERATING TERMS

1. Appointment and duties of the Chair and Vice Chair

1.1 A Chair could be elected by the Board from among the Board membership based on their skills and is not restricted to being a Councillor.

1.2 One of the independent Members may be appointed as Chair if authorised by the Scheme Manager.

1.3 The Vice Chair of the Board to be elected by the Board.

1.4 The Chair is responsible for ensuring that meetings are properly conducted, decision making is clear and professional advice is followed. The Chair is also responsible for agreeing the agenda and approving the minutes for each meeting.

1.5 The Vice Chair shall undertake the duties of the Chair in the event of the Chair's absence.

2. Notifications of appointments

2.1 When appointments to the Board have been made, the Scheme Manager shall publish the name of the Board Members, the process followed in the appointment together with the way in which the appointment supports the effective delivery of the purpose of the Board.

3. Termination of membership of the Board

3.1 Any termination of membership of the Board will be in accordance with the Appointment and Termination Process.

3.2 Membership of the Board may be terminated due to:

• They have a conflict of interest which cannot be managed in accordance with the Board's conflicts policy

• A member dies or becomes incapable of acting

• A member of the Board is appointed to the Pension Fund Committee.

• A member is appointed to the role of an officer of the Administering Authority with responsibility for the discharge of functions under the Regulations

• A member resigns

• A representative member ceases to represent his constituency, for example if an employer representative leaves the employment of his employer and therefore ceases to have the capacity to represent the Fund's employers; and

• A member fails to attend 2 consecutive meetings or otherwise comply with the requirements of being a Board member, for example fails to attend the necessary knowledge and understanding training.

4. Board Meetings: Notice and Public Access to Board Meetings and Information

4.1 The Board is considered a committee of local government and therefore the usual provisions about transparency in respect of access to information and reports will apply.

4.2 The Scheme Manager shall give notice to all Board Members of every meeting of the Board, which will be held in public (apart from confidential matters). All Members will normally be sent an agenda and papers at least 5 working days before the meeting unless an urgent meeting is required.

4.3 Any meeting of the Board will include provision for confidential matters or matters that would involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 to be dealt with privately in Part 2 and any documents in connection with such maters will be dealt with confidentially.

4.4 The Scheme Manager shall ensure that a formal record of Board proceedings is maintained. Following the approval of the minutes by the Chair of the Board, they shall be circulated to all Members.

4.5 All agendas, reports and minutes will be available on KCC's website except for any confidential or exempt matters.

4.6 In accordance with the Public Service Pensions Act 2013, the Administering Authority shall publish information about the Board to include:

- the names of the Board Members and their contact details;
- the representatives of employers and Members of the Board;
- the role of the Board;
- operating arrangements for the Board

5. Board Costs and Budget

5.1 The Board is to be provided with adequate resources to fulfil its role. In doing so, the budget for the Board will be met from the Kent Pension Fund.

5.2 The Board will seek approval from the LGPS Senior Officer for any expenditure it wishes to make.

6. Reporting Arrangements

6.1 The Board should report to the Kent Pension Fund Committee in the first instance.

6.2 On receipt of a report from the Board, the Kent Pension Fund Committee should consider and respond to the Board within a reasonable period of time.

6.3 Where the Board is satisfied that there has been a breach of regulation which is reported to the Kent Pension Fund Committee and is not rectified within a reasonable period of time the Board has a duty to escalate this perceived breach

6.4 The appropriate internal route for escalation is via the LGPS Senior Officer.

6.5 The Board may report concerns to the LGPS Scheme Advisory Board subsequent to the internal route for escalation.

6.6 Board Members are subject to the requirement to report breaches of law to the Pension Regulator under the Act and the Code,

7. Board Review Process

7.1 The Board will undertake each year a formal review process to assess how well it, and the Members are performing with a view to seeking continuous improvement in the Board's performance.

8. Advisors to the Board

8.1 The Independent Member of Pension Board will be responsible for providing professional advice to the Board. Secretarial support will be provided by KCC Democratic Services.

8.2 The Board may be supported in its role and responsibilities through the appointment of advisors and shall, subject to any applicable regulation and legislation from time to time in force, consult with such advisors to the Board and on such terms as it shall see fit to help better perform its duties.

Kent Pension Fund
Delivering an outstanding service

KENT PENSION FUND
TRAINING STRATEGY 2026 (SUPERSEDES THE 2024 TRAINING STRATEGY)

Title	Kent Pension Fund Training Strategy
Version	3
Approving Date	15 December 2026
Approving Body	Pension Fund Committee
Next Review Date	December 2028

Version Control

Version	**Last Modified**	**Last Modified By**	**Document Changes**
3	November 2026	Emma Green	Review and alignment with 2026's Knowledge and Understanding governance reforms.
2	February 2024	Emma Green	Formalisation of practices undertaken
1	March 2022	Alison Mings	A comprehensive review of the previous policy
0	2019	Anon	Original Training Strategy for the Fund

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1. INTRODUCTION

1.1 Regulation 55A of the LGPS Regulations 2013 sets out that an Administering Authority must prepare a Training Strategy setting out how the authority will ensure that any persons to whom regulation 55B (1) or (2) (administering authorities: knowledge and understanding requirement for relevant persons) applies will meet the knowledge and understanding requirement in paragraph (3) of that regulation.

1.2 Regulation 55B (4) states that the degree of knowledge and understanding required is that appropriate for the purposes of enabling that person to properly exercise the functions that have been delegated to them by the Administering Authority in accordance with guidance issued by the Secretary of State.

1.3 This is Kent Pension Fund's Training Strategy. It has been designed to encourage the development of skills and knowledge, enabling all to act effectively in line with their roles and responsibilities.

1.4 By implementing this Training Strategy, Kent Pension Fund seeks to ensure that there are sufficient skills and knowledge amongst the LGPS Senior Officer, the Independent Person, officers with delegated duties and those on Pension Board and Pension Fund Committee. It is considered important to achieve and maintain skills within Kent Pension Fund to ensure effective decision making and scrutiny of the Fund.

1.5 The LGPS Senior Officer is tasked with ensuring implementation of the Training Strategy. By approving the Training Strategy, all Members are implicitly committing to participate in training and to abide by the training requirements. Repeated noncompliance with the Training Strategy may result in Members being removed from Pension Board or Pension Fund Committee, as Kent Pension Fund prides itself on having well-informed and suitably skilled Members.

1.6 Kent Pension Fund will continue to offer a programme of structured training events via a regularly reviewed training plan. Regular updates on training will be provided to Pension Fund Committee and Pensions Board, as per the agendas set.

1.7 No individual Members are expected to have expert knowledge of Kent Pension Fund's LGPS investments or administrative operations. Instead, it is expected that senior officers within Kent Pension Fund (and the Fund's consultants and Independent Person) will continue to assist Members in undertaking their roles and will provide suitable recommendations, advice and guidance, as necessary.

2. TRAINING STRATEGY OBJECTIVES

2.1 Kent County Council is the Administering Authority for Kent Pension Fund on behalf of its stakeholders. Kent Pension Fund is one of the largest Funds in the LGPS in England.

2.2 The objectives of Kent Pension Fund reflect the significance of the Fund:

a) Ensure Kent Pension Fund is managed, and its services delivered by people who have the appropriate knowledge and expertise;

b) Ensure Kent Pension Fund is effectively governed and administered; and

c) Ensure decisions are robust, are well founded and comply with regulatory requirements or guidance from the
Pensions Regulator, the Scheme Advisory Board Ministry for Housing, Communities and Local Government.

2.3 To assist in achieving these objectives, Kent Pension Fund is legally required under Regulations 55A and 55B of the LGPS Regulations 2013 to maintain a Training Strategy that ensures all individuals with delegated responsibilities have the knowledge and understanding necessary to perform their roles effectively. The arrangements set out in this Training Strategy are supported by wider legislation, including the Pensions Act 2004, Public Service Pensions Act 2013, fiduciary and public law duties, and MiFID II, together with guidance from the Pensions Regulator (tPR), the Scheme Advisory Board (SAB), and Chartered Institute of Public Finance and Accountancy (CIPFA.). This Training Strategy, which is based on the Fund's previous 2024 Training Strategy, fulfils these policy and legal requirements. Of note is that the 2026 governance reforms incorporate the standards within CIPFA's Code of Practice (on Public Sector Pensions) and the tPR's General Code, released in 2024.

3. KNOWLEDGE & UNDERSTANDING REQUIREMENTS

3.1 The governance reforms from 2026 are clear that regardless of the range of responsibilities, those exercising a delegated responsibility on behalf of the Administering Authority must, as a minimum, be conversant with:

- the rules of the LGPS, and
- any document recording policy about funding, investment, administration, communications, or governance which is for the time being adopted in relation to the scheme

3.2 Such persons must have knowledge and understanding of:

- the law relating to pensions, and
- such other matters as may be prescribed in legislation and guidance

3.3 The Fund will also comply with the requirement that whilst the level of relevant knowledge, understanding, skills and competencies required will vary and should be specific to roles and responsibilities, knowledge will be annually assessed.

4. DEFINITION OF KNOWLEDGE AND UNDERSTANDING BY ROLE

4.1 This Training Strategy applies to individuals responsible for the management of the LGPS or who have a decision-making, scrutiny, or oversight role. This includes all those listed below (in relation to their roles in the governance and management of the fund):

- LGPS Senior Officer of the Administering Authority
- other officers with delegated responsibilities
- Pension Fund Committee (or equivalent) members and co-opted members, including:

- Administering Authority elected members

- other local authority elected members

- employer representatives

- scheme member representatives

- substitutes of any of the above

- Independent Person
- any other individuals involved in management or a decision-making, scrutiny or oversight role relating to the fund

5. PENSION FUND COMMITTEE MEMBERS

5.1 The Administering Authority has ultimate responsibility for managing the LGPS, including its investment strategy, governance and administration. As such, Kent County Council is required to determine its own governance arrangements, and the delegation of those responsibilities are set out in KCC's Constitution and the Fund Governance Strategy which confirms the arrangements. **Please see the KCC Constitution and the Fund's Governance Strategy which sets out how Kent County Council delegates its functions, or part of its function, to the Pension Fund Committee, the LGPS Senior Officer and Independent Person.**

5.2 All members of a Pension Fund Committee are expected to have the required knowledge and understanding relating to their LGPS duties and responsibilities. The guidance states that it is appropriate to consider the knowledge and understanding of a committee as an individual requirement. The Fund's approach is therefore to ensure that an individual's degree of knowledge and understanding is appropriate for the purposes of enabling the individual, and therefore the committee as a whole, to properly exercise their delegated responsibility on behalf of the Administering Authority.

5.3 The guidance recognises that a committee may have other local authority elected members, representatives of other employers and scheme member representatives among its membership, all of whom may have different voting rights. However, the statutory guidance is clear that Irrespective of the position on voting, knowledge and understanding requirements apply equally to all committee members.

5.4 The Fund's Governance Strategy considers the risk of having substitute members (if relevant) who may not have the same level of knowledge and access to training as the main committee members. This Training Strategy expects that substitute members should have sufficient knowledge and understanding to fulfil their role effectively and that they are given access to training as required.

5.5 This Training Strategy ensures that the Fund is able to demonstrate and explain the individual knowledge and understanding of each Pension Fund Committee member. The Training Strategy enables the Fund's Committee members to properly exercise their delegated functions.

5.6 The Fund will maintain this Training Strategy for the ongoing maintenance and development of the committee's knowledge. It sets out how knowledge will be obtained and maintained, including assessing and addressing skills gaps to increase knowledge.

5.7 The guidance acknowledges that there is a high bar expected of Committee members in relation to their knowledge and understanding. The following is what is expected of Committee Members:

- committing to undertake the role for a term of office and having the capacity to attend meetings
- understanding that roles on the committee are in a non-political capacity
- attending and participating constructively in meetings

- undertaking training and development appropriate to their role and individual needs
- approaching matters with an open and independent mind, avoiding any pre-determination bias
- having the confidence to challenge, influence and engage
- operating within the terms of reference of the committee and the Administering Authority's code of conduct

6. LGPS SENIOR OFFICER

6.1 The Fund has its own LGPS Senior Officer who has overall responsibility for all pension functions of the authority.

6.2 This Strategy requires the Fund's LGPS Senior Officer to have appropriate knowledge and understanding to fulfil their important role. By virtue of KCC's Constitution, the LGPS Senior Officer for Kent Pension Fund has authority within the organisation. The Fund's LGPS Senior Officer is responsible for ensuring that fund policies are implemented, including the delivery and implementation of this Training Strategy.

6.3 This Strategy ensures that the degree of knowledge and understanding of the LGPS Senior Officer is appropriate for the purposes of enabling them to properly exercise their delegated responsibility on behalf of the Administering Authority. The level of risk and responsibility involved in the day-to-day operations of an LGPS fund cannot be underestimated. It falls on the LGPS Senior Officer to ensure that robust controls are in place. They will be the key officer providing advice, guidance and assurance to the Committee and Local Pension Board at Kent Pension Fund.

7. PENSION BOARD MEMBERS

7.1 Pension Board members are required by Section 248A of the Pensions Act 2004 to be conversant with the rules of the scheme and any policy document in force in relation to its administration, and to have knowledge and understanding of the law relating to pensions and any other such matters as may be prescribed. Pension Board Members must have a sufficient level of understanding to enable them to properly exercise their functions as members of the Board. This Training Strategy enables the Fund's Pension Board to fulfil these statutory requirements.

7.2 Under Regulation 109 of the LGPS Regulations 2013, administering authorities must have regard to guidance issued by the Secretary of State in relation to local pension boards. This Training Strategy sets out how the Fund will ensure that members of its Pensions Board have sufficient knowledge and understanding to assist the Administering Authority to secure compliance with the Regulations and other legislation relating to the governance and administration of the LGPS. For the purposes of clarity, these have been interpreted as including the Regulations and other legislation relating to investment and funding matters insofar as they relate to the role of the Pension Board) and/or any failure to meet the standards and expectations set out The Pension Regulator's General Code.

7.3 This Training Strategy requires Pension Board Members to have a breadth of knowledge and understanding that is sufficient to allow them to understand fully any professional advice to the Pension Board, given or shared. Furthermore, this Training Strategy requires that Members are able to challenge any information or advice they are given.

8. KNOWLEDGE & UNDERSTANDING PRINCIPLES

8.1 The Fund recognises that effective management, strategic decisions, governance, and other aspects of the delivery of the LGPS can only be achieved where those involved have the requisite knowledge and skills to properly discharge the duties and responsibilities allocated to them.

8.2 The Fund will ensure necessary resources are in place to support delivery of the Training Strategy. As such, the resources enable all officers, Members and other persons responsible for the management, decision making, governance and other aspects of the delivery of the LGPS to acquire and retain the necessary knowledge and understanding.

8.3 This Training Strategy covers the fund's objectives, delivery and reporting arrangements on how it plans to support the relevant individuals to acquire and retain LGPS knowledge and understanding appropriate for the purposes of enabling those individuals to properly exercise their functions that have been delegated by the Administering Authority. The Training Strategy covers the training needs of the Pension Fund Committee, the Pension Board, relevant officers, and the key training strategy principles for officers of the fund.

9. KEY AREAS OF KNOWLEDGE & UNDERSTANDING

9.1 The LGPS is a complex, multi-faceted scheme that requires knowledge and understanding across several disciplines. This Training Strategy sets out 9 core technical areas where appropriate knowledge and understanding should be achieved and maintained on an individual basis:

- relevant pensions legislation and guidance
- pensions governance
- funding strategy and actuarial methods
- pensions administration and communications
- pensions financial strategy, management, accounting, reporting and audit standards
- investment objectives, strategic asset allocation, pooling, and pooling performance management
- risk management
- pension services procurement, contract management, and relationship management.
- key skills and behaviours

9.2 The above list is not exhaustive of the training provided by the Fund. The Fund will ensure these topics are included in a training plan and that training is delivered where knowledge gaps are identified within the context of the Fund's workplan.

10. MONITORING & REPORTING

10.1 The Training Strategy has been prepared so it can be demonstrated that the governing bodies have sufficient knowledge and understanding for governing the scheme. Furthermore, the Training Strategy enables knowledge and understanding to be applied when decisions are being discussed or taken during meetings (including key strategic decisions).

10.2 To monitor and report knowledge and understanding, Kent Pension Fund is committed to:

- keeping a record of the training each member of the Committee and Board has received each year and include this in the annual report and accounts each year
- ensuring Committee and Board papers can be read with access to the training members have received on particular topics
- taking action where poor attendance of training is identified
- undertaking a training needs assessment of existing knowledge and understanding (to assist with prioritisation of training delivery and the preparation of training plans).
- communicating regularly with Committee and Board members encouraging them to highlight training needs on an ongoing basis
- reporting training attended (or not) in the fund's annual report and accounts each year
- ensuring the Training Strategy covers non-compliance with knowledge and understanding requirements
- informing Committee and Board members that they must take responsibility for keeping an accurate record of their own training. (Members are advised that this should be kept up to date and shared with the Fund annually – including keeping records of any alternative or further learning activity such as reading, attending conferences, sessions with the scheme advisors).
- ensuring the training needs assessment and all records monitoring knowledge and understanding are available to persons carrying out an independent governance review.

11. KEY EVENTS & TIMESCALES

11.1 This Training Strategy enables incoming members of the Pension Fund Committee or Board to be aware that their responsibilities and duties begin from the date they take up their post. The Fund therefore attempts to ensure that comprehensive inductions are completed with individuals new to their role within 3 months of joining or before their first meeting, whichever is sooner. Where it is not possible due to a meeting date within this period, the Fund recognises that it is important that induction training is prioritised based on the key decisions being considered at the first meeting. The Fund will ensure that requirements and training expectations are clearly outlined to all parties involved in the pre-appointment information supplied to potential Committee and Board members.

11.2 Ensuring the Fund's objectives in the Training Strategy are being met is important, the Fund will assess annually whether Committee members, Pension Board members and senior officers have the required knowledge and understanding required to properly undertake their role in line with the planned activities of the fund's workplan. Where knowledge and understanding gaps are identified, a Training Plan will be proposed.

12. TRAINING RESOURCES

12.1 The approach of this Training Strategy is that it is the LGPS Senior Officer's responsibility to ensure that the Fund is adequately resourced to ensure that legal requirements and the objectives in this Training Strategy can be met. This Training Strategy sets out the commitment to access expert training resources,

reimbursement for time spent attending training sessions and other relevant learning and development events. Where possible, the Fund is committed to organising joint training activities for both Pension Fund Committee and Board members.

13. THE PENSIONS REGULATOR'S E-LEARNING TOOLKIT

13.1 The Pension's Regulator has developed an online tool designed to help those running public service schemes to understand the governance and administration requirements in the CIPFA Code of Practice. The online, free toolkit is designed specifically with Pension Board members in mind however the material covered is of equal relevance to Pension Fund Committee members.

13.2 Both members of Kent Pension Fund Committee and Kent Pension Board are expected to complete tPR's public service toolkit within 6 months of joining Board or Committee.

13.3 The public service e-toolkit is an easy-to-use resource and covers seven short modules. These are:

a) Conflicts of Interests;

b) Managing Risk and Internal Controls;

c) Maintaining Accurate Member Data;

d) Maintaining Member Contributions;

e) Providing Information to Members and Others;

f) Resolving Internal Disputes;

g) Reporting Breaches of the Law

13.4 Member's completion of tPR's e-toolkit (public service pension schemes) will be monitored by regular surveys. Findings will be reported in the Kent Pension Fund Annual Report and Accounts**.**

14. MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE II (MIFID II)

14.1 Kent Pension Fund must demonstrate a high level of skills and knowledge across the Committee and Board to enable Kent Pension Fund to 'opt-up', if required. By doing so, Kent Pension Fund can be recognised as a professional investor rather than a retail investor and continue to receive advice and access to investment products at a level commensurate with the types of investment required for the Kent Pension Fund.

14.2 Failure to adequately demonstrate a high level of collective skills and knowledge across Pension Fund Committee and Pension Board could result in the loss of professional investor status and therefore access to the appropriate investment opportunities.

15. INITIAL INDUCTION &TRAINING

15.1 On joining Pension Fund Committee and Pension Board, all new Members will receive an initial induction session and are encouraged to become familiar with the Kent Pension Fund website which provides access to:

- The latest Actuarial Valuation report
- The latest Annual Report and Accounts,

- Fund policies

15.2 During the induction, initial training needs is also discussed and 1:1 sessions with officers are offered as appropriate to enable support and settling into roles. To strengthen understanding and awareness of day-to-day operations, Members are also invited to see work in progress and being delivered by officers whilst at Sessions House offices. Where of interest, details are agreed in advance via email so that sufficient hosting arrangements can be put in place.

15.3 As outlined above, all new Members are expected to complete tPR's e-toolkit (public service pension schemes) within 6 months of joining the Pension Board or Pension Fund Committee.

15.4 Kent Pension Fund takes part in the annual National Knowledge Assessment hosted by Hyman's Robertson. The assessment is completed by all members of both the Pension Board and the Pension Fund Committee. Results are aggregated and analysed for the Board and Committee separately and the results are used to inform training priorities.

16. TRAINING DELIVERY

16.1 Members and senior officers are encouraged to access a range of training resources. These may include but are not restricted to:

a) Internally developed training days with a particular subject focus;

b) Investment training from representatives of the investment pool;

c) In-house and shared training events where it improves economy, efficiency and effectiveness;

d) Self-improvement and familiarisation with regulations and documents;

e) The Pension Regulator's e-learning programme;

f) Attending courses, seminars and external events such as conferences;

g) Regular updates from officers and/or advisers;

h) Circulated reading material;

i) Hot Topic Training presented to Board and Committee members immediately prior to Board and Committee meetings.

16.2 Training events are advertised to members as and when they are notified to officers. Members are expected to make officers aware of any events that are of interest.

17. COSTS & CLERICAL SUPPORT

17.1 All relevant costs relating to this Training Strategy will be met by Kent Pension Fund (i.e. for event attendance and travel). Furthermore, assistance with making event bookings and travel arrangements is available from officers; requests for help can be made via email.

18. MONITORING, REPORTING & COMPLIANCE

18.1 Kent Pension Fund will maintain a record of all training undertaken by Committee and Board members, who will be asked to confirm this record annually via a survey.

18.2 Training updates will be regularly taken to Pension Board and Pension Fund Committee to give on overview of the latest training opportunities and to report on training recently completed.

18.3 Information on training completed by individual Members will be included in the Kent Pension Fund Annual Report and Accounts. Information will be recorded on training session attendance. Where consistently poor training attendance is recorded, this will be discussed, and appropriate action taken. For example, repeated non-compliance with the Training Strategy may result in Members being removed from Pension Board or Pension Fund Committee to ensure that sufficient levels of skills and knowledge is collectively held for effective decision making and scrutiny.

18.4 The training plan will be agreed with Kent Pension Fund Committee and Board annually, or as required, to ensure relevancy and sufficient support for Members. In effect, by Members agreement to the plan they are implicitly committing to participate in training.

19. EFFECTIVE DATE

19.1 Kent Pension Fund first developed its Training Strategy in 2015, and this was approved by the Superannuation Fund Committee (as it was known then) at that time. The Training Strategy was subsequently updated and approved in November 2019, 2022, and 2024. This version of the Training Strategy is to be taken to Pension Board on the 25 November 2026 for scrutiny and to Pension Fund Committee on 15 December 2026 for approval.

19.2 This 2026 Training Strategy is intended to supersede the 2024 Training Strategy and incorporates the latest statutory guidance and requirements announced in 2026 by MHCLG. Training is considered to be a live and ever moving target, due to the ongoing changes in the regulatory and policy framework within which Kent Pension Fund sits. A Training Plan will be designed to incorporate these changes and hot topics as they emerge. Officers will be sent regular communications to keep Members well informed and aware of the latest developments.

20. REVIEW

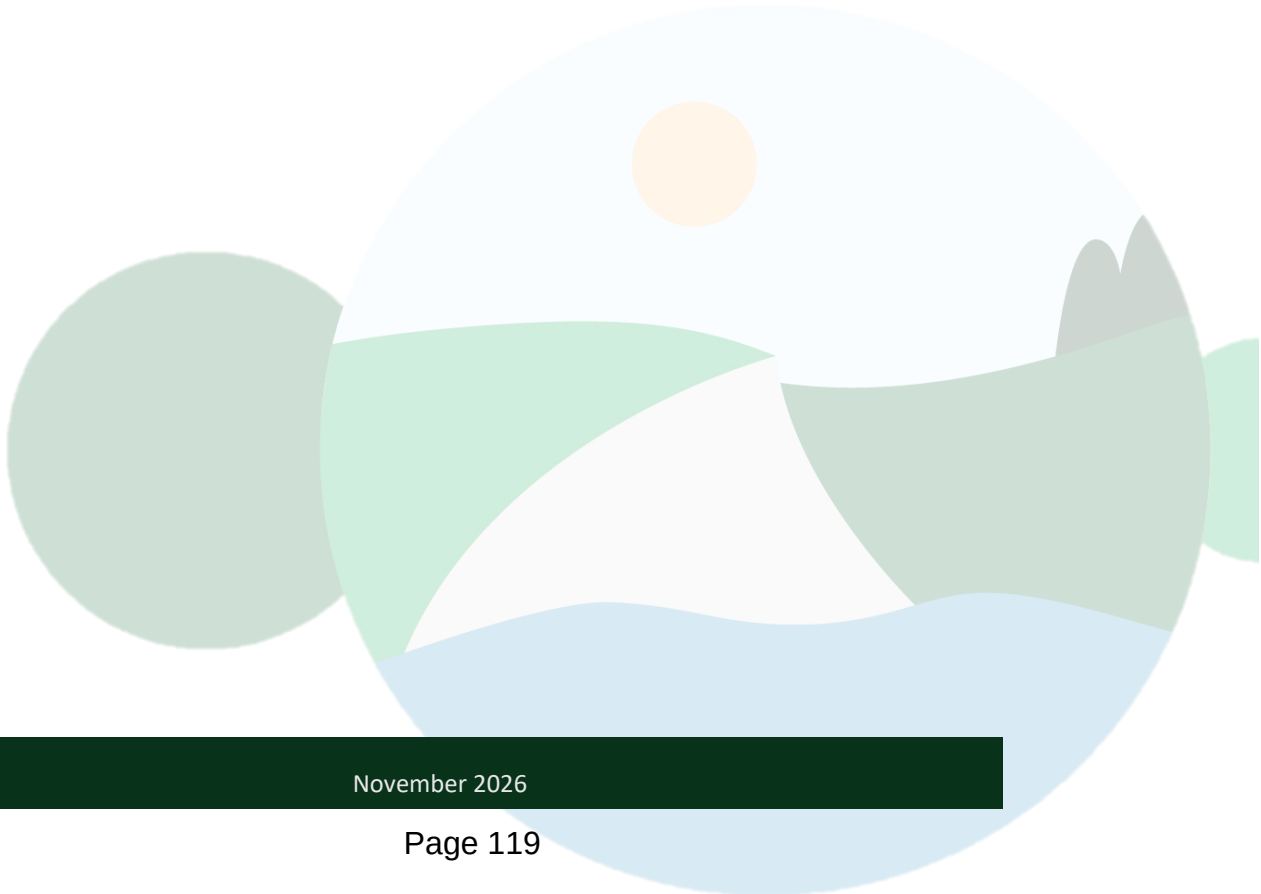
20.1 This strategy is expected to be appropriate for the long-term, but it will continue to be regularly reviewed, at least formally every 2 years or as required, to ensure it remains accurate and relevant. Any recommendations and improvements identified during independent governance reviews will be incorporated into future versions of this Training Strategy.

20.2 The regulations require that consultation is required as part of the update of this Training Strategy with such persons as the Administering Authority ‘considers appropriate’. Consequently, Officers of Kent Pension Fund consulted with Pension Board and Pension Fund Committee prior to updating this policy, when it was acknowledged that the 2026 fund governance reforms required new policy requirements. A draft of this Training Strategy was taken to Pension Board on 25 November 2026 for scrutiny. A final draft was taken to Pension Fund Committee on 15 December 2026 for approval. The Fund’s Pension Board includes employer and scheme member representatives. The Fund’s Committee includes employer and scheme member representative and the Fund’s Independent Person.

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KENT PENSION FUND

CONFLICTS OF INTEREST POLICY



November 2026

Title	Kent Pension Fund Policy for Conflicts of Interest Policy
Version	2.0
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Approving Body	Kent Pension Fund Committee
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0	N/a	-	Initial document prepared and approved 8 December 2022.
1	April 2023	Clare Chambers	None
2	November 2026	Emma Green	Kent Pension Fund branding applied. Alignment with tPR's General Code of Practice (2024) and the 2026 LGPS governance reforms. Reference to the LGPS Senior Officer and KPF's officers, Independent Person and Members of Board and Committee. Removal of ACCESS, replacing with reference to BCPP investment pool. (KPF moved from ACCESS to BCPP in 2026).

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1. INTRODUCTION

1.1. In the LGPS environment there is the potential for conflicts of interest to arise. This simply reflects the fact that many of those managing or advising LGPS funds will have a variety of other roles and responsibilities - for example as a member of the scheme, as an elected Member of an employer participating in the LGPS or as an adviser to more than one LGPS administering authority. Furthermore, any of those persons may have an individual personal, business, or other interest which might conflict, or be perceived to conflict, with their role of managing or advising LGPS funds.

1.2. It is generally accepted that LGPS Administering Authorities have both fiduciary and public law duties to act in the best interest of both the scheme beneficiaries and participating employers. This, however, does not preclude those involved in the management of the fund from having other roles or responsibilities which may result in an actual or potential conflict of interest. Accordingly, it is good practice to document within a policy, such as this, how any such conflicts or potential conflicts are to be managed.

1.3. This is the Conflicts of Interest Policy of Kent County Council as the Administering Authority responsible for the management and administration of the Local Government Pension Scheme including the maintenance of the Kent Pension Fund.

1.4. The Policy details how actual and potential conflicts of interest are identified and managed by those involved in the management and governance of the Kent Pension Fund ("the Fund") whether directly or in an advisory capacity and seeks to ensure consistency with the Council's policies and codes.

1.5. This Conflicts of Interest Policy is established to guide Members and Officers. It aims to ensure that those individuals do not act improperly or create a perception that they may have acted improperly. It is an aid to good governance, encouraging transparency and minimising the risk of any matter prejudicing decision making or management of the Fund otherwise.

1.6. The policy also identifies areas of potential conflict that are specific to the Local Government Pension Scheme (LGPS) that would be dealt with in the same manner as conflicts of interest under the Members' codes of conduct and Officers' codes of conduct. **Please see further details in KCC's Constitution.**

2. AIMS AND OBJECTIVES

2.1. In relation to the governance of the Fund, the Administering Authority's objectives are to:

- Provide a high-quality service whilst maintaining value for money
- ensure compliance with the LGPS regulations, other relevant legislation, and the Pension Regulator's General Code of Practice
- ensure the Fund is managed, and its services delivered by people who have the appropriate knowledge and expertise
- evolve and look for new opportunities, ensuring efficiency at all times
- act with integrity and be accountable to our stakeholders
- understand and monitor risk and compliance
- continually measure and monitor success against our objectives
- ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services is protected and preserved

The identification and management of potential and actual conflicts of interest is integral to the Council achieving its governance objectives as the Administering Authority of the Fund.

3. TO WHOM THIS POLICY APPLIES

3.1. This Policy applies to all Members of the Pension Fund Committee and Board, including scheme member and employer representatives, whether voting members or not. It applies to all Officers in the Council's Pensions Senior Management Team, to the Corporate Director of Finance (Section 151 Officer), the LGPS Senior Officer and the Fund's Independent Person. The LGPS Senior Officer will monitor potential conflicts for Officers involved in the daily management of the Fund and highlight this Policy to them as they consider appropriate.

3.2. This Policy and the issue of conflicts of interest in general must be considered in light of each individual's role, whether this is a management, advisory or assisting role and including responsibilities representing the Fund on other committees, groups and bodies.

3.3. The Policy also applies to all advisers and suppliers to the Fund. In this Policy, reference to advisers includes all advisers, suppliers and other parties providing advice and services to the Administering Authority in relation to pension fund matters. This includes but is not limited to actuaries, investment consultants, independent advisers, benefits consultants, third party administrators, fund managers, lawyers, custodians and AVC providers. Where an advisory appointment is with a firm rather than an individual, reference to "advisers" is to the lead adviser(s) responsible for the delivery of advice and services to the Council rather than the firm as a whole.

3.4. In accepting any role covered by this Policy, all individuals to which this Policy applies agree that they must:

- acknowledge any potential conflict of interest they may have
- be open with the Council and any other body on which they represent the Council, on any actual or potential conflicts of interest they may have
- adopt practical solutions to managing those conflicts, and
- plan ahead and agree with the Council how they will manage any conflicts of interest which arise in future.

3.5. The procedures outlined in this Policy provide a framework for each individual to meet these requirements. This policy explains:

- What constitutes a conflict
- How conflicts are identified
- How conflicts are recorded
- The process for managing and mitigating conflicts
- Escalation arrangements

4. LEGISLATIVE AND RELATED CONTEXT

4.1. The overriding requirements in relation to the management of potential or actual conflicts of interest for those involved in LGPS funds are contained in various elements of legislation and guidance.

The Public Service Pensions Act 2013 section 5, the Local Government Pension Scheme Regulations 2013 regulations 108 and 109 and the Pensions Act 2004 sections 90A and 13 (as amended). Of particular note are the 2026 governance reforms, which strengthen the requirements for the Fund's Conflict of Interest Policy. The Local Government Pension Scheme (Amendment) (Governance) Regulations 2026. The statutory guidance prepared in 2026 supports these requirements: Local Government Pension Scheme: asset pooling - GOV.UK and Local Government Pension Scheme: fund governance - GOV.UK

The Fund's Conflict of Interest Policy has been updated in 2026 to align with the Fund's Governance Strategy and the KCC Constitution**. Please refer to the Governance Strategy which sets the operating arrangements for the Fund and the KCC Constitution.**

5. LOCAL GOVERNMENT PENSION SCHEME: ASSET POOLING (JUNE 2026)

5.1. The June 2026 LGPS Asset Pooling Guidance introduces specific expectations on conflicts of interest for pool companies, building on existing FCA regulatory requirements for authorised investment management firms. The Fund recognises that:

- Pools must have a formal conflicts of interest policy
- FCA-regulated pools must meet regulatory conflict standards
- Investment advice must be free from conflicts
- Dual-role individuals must manage conflicts carefully
- Pool operating models must mitigate conflicts
- Remuneration arrangements must not encourage inappropriate risk-taking

5.2. The Fund works with BCPP and the other partner funds to identify actual and potential conflicts and set out how these will be managed through a robust Conflict of Interest policy. As an authorised full-scope MiFID investment firm, BCPP is required to:

- Identify conflicts of interest.
- Prevent, manage and monitor conflicts.
- Maintain effective organisational and administrative arrangements.
- Ensure that conflicts do not adversely affect the interests of funds, investors or clients.

Please see further details on BCPP's website, KPF's Governance Strategy and KPF's Investment Strategy Statement.

6. TPR'S GENERAL CODE OF PRACTICE

6.1. Under the TPR General Code, pension schemes must have effective systems of governance, including processes to identify and manage conflicts of interest. The Pensions Regulator expects:

- Conflicts to be assessed proactively.

- Registers to be maintained.
- Training to be provided.
- Decisions and mitigations to be documented.
- Governance reviews to test whether conflict controls are operating effectively.

This Conflicts of Interest policy aligns with these requirements.

7. LOCALISM ACT 2011

7.1. All members and co-opted members of the Pension Fund Committee are required by the Localism Act 2011 to register and declare 'disclosable pecuniary interests' and abide by the Council's Code of Conduct for Members as set out in the Council's Constitution. That Code contains provisions relating to Code Interests and Disclosable Pecuniary Interests, their disclosure, and limitations on members' participation where they have any such interest. Please see further details in KCC's Constitution.

8. THE SEVEN PRINCIPLES OF STANDARDS IN PUBLIC LIFE

8.1. Sometimes known as the 'Nolan Principles', the seven principles of public life apply to anyone who holds public office. This includes people who are elected or appointed to public office in local government. Many of the principles are integral to the successful implementation of this policy:

- Selflessness - Act solely in the interests of scheme members and employers, not for personal, political or organisational gain.
- Integrity - Avoid placing yourself under any obligation that could improperly influence your decisions.
- Objectivity – Make decisions on merit, evidence and professional advice, particularly in funding, investment and procurement matters
- Accountability - Be accountable for decisions and actions and submit to appropriate scrutiny.
- Openness – Be as transparent as possible about decisions, interests and governance processes.
- Honesty – Declare interests and conflicts truthfully and promptly.
- Leadership - Promote and uphold high standards of conduct and challenge poor practice where necessary

9. ADVISERS' PROFESSIONAL STANDARDS

9.1. Many advisers will be required to meet professional standards relating to the management of conflicts of interest, for example, the Fund Actuary will be bound by the requirements of the Institute and Faculty of Actuaries. Any protocol or other document entered into between an adviser and the Council in relation to conflicts of interest, whether as a requirement of a professional body or otherwise, should be read in conjunction with this policy.

10. OTHER ADMINISTERING AUTHORITY REQUIREMENTS – PENSION BOARD MEMBERS

10.1. The Public Service Pensions Act requires Pension Board members to have the capacity to represent scheme members or employers, but they must not have conflicts that prevent them from carrying out their role effectively.

Examples include:

- A board member participating in a decision that directly affects their employing organisation.
- An officer responsible for scheme administration also serving on the Pension Board overseeing that administration.
- A Pension Committee member also sitting on the Pension Board (generally regarded as a significant conflict because the Board's role is to assist in oversight of the Committee).

10.2. This Conflicts of Interest Policy is intended to assist with the above. The Fund's Governance Strategy is clear that a Member of Pension Board cannot also be a Member of the Fund's Committee.

11. OFFICERS

11.1. In addition to the requirements of this Policy, Officers of the Council are required to adhere to the Council's Code of Officers Conduct at section 23 of the Council's Constitution which includes requirements in relation to the disclosure and management of all potential conflicts of interests that may impact on their work or that of the Council. Officers are required to complete an annual declaration of Conflicts of Interest online.

12. ADVISERS

12.1. The Administering Authority appoints its own advisers. There may be circumstances where these advisers are asked to give advice to scheme employers, or even to scheme members or member representatives such as the Trades Unions, in relation to pension matters. Similarly, an adviser may also be appointed to another administering authority which is involved in a transaction involving the Kent Pension Fund and on which advice is required or to a supplier or organisation providing services to the Kent Pension Fund. An adviser can only continue to advise the Administering Authority and another party where there is no conflict of interest in doing so.

12.2. An adviser appointed to advise the Pension Fund Committee, Pension Board or Fund officers can be the same person, as long as there is no conflict of interest between the multiple responsibilities.

13. CONDUCT AT MEETINGS

13.1. There may be circumstances where a representative of employers or members wishes to provide a specific point of view on behalf of an employer (or group of employers) or member (or group of members). The Administering Authority requires that any individual wishing to speak or advocate on behalf of a specific person or organisation or to represent the views of a group of such persons must state this clearly at the meeting, and that this will be recorded in the Minutes.

14. WHAT IS A CONFLICT OR POTENTIAL CONFLICT OF INTEREST AND HOW WILL THEY BE MANAGED?

14.1. The Public Service Pensions Act 2013 defines a conflict of interest as a financial or other interest which is likely to prejudice a person's exercise of functions. Therefore, a conflict of interest may arise when an individual:

- has a responsibility or duty in relation to the management of, or provision of advice to, the LGPS fund administered by Kent County Council
- at the same time, they:
    - have a separate personal interest (financial or otherwise), or
    - have another responsibility in relation to that matter, or
    - have an interest due to a family member or close colleague having a specific responsibility or interest in a matter which gives rise to a possible conflict with their first responsibility.

14.2. As Administering Authority, Kent County Council, will:

- encourage a culture of openness and transparency
- encourage individuals to be vigilant, have a clear understanding of their role and the circumstances in which they may have a conflict of interest, and of how potential conflicts should be managed
- evaluate the nature of any dual interests or responsibilities that are highlighted and assess the impact on pension fund operations and good governance were an actual conflict of interest to materialise.

15. AREAS OF POTENTIAL CONFLICT THAT ARE SPECIFIC TO THE LGPS

15.1. Some of the key areas of potential conflict relate to KCC's responsibility for managing the Kent Pension Fund and the dual roles held by Kent County Council as administering authority and employer in the Fund:

- Any commercial relationships between KCC and other employers in the fund/or other parties which may impact decisions made in the best interests of the fund. These may include shared service arrangements which impact the fund operations directly but will also include outsourcing relationship and companies related to or wholly owned by the Council, which do not relate to pension fund operations
- Contribution setting for KCC and other employers
- Cross charging for services or shared resourcing between KCC and the Fund and ensuring the service quality is appropriate for the Fund
- Dual role of the administering authority as an owner and client of the BCPP pool
- Investment decisions directly related to companies, development, infrastructure or other projects within the Council's area
- How the Kent Pension Fund appropriately responds to Council decisions or policies on global issues such as climate change

- Any other roles within the Council being carried out by committee members or officers which may result in a conflict either in the time available to dedicate to the fund or in decision making or oversight. For example, some roles on other finance committees, audit or health committees or cabinet should be disclosed.

15.2. Other examples of potential conflicts including relating to these dual roles are included at **Appendix 1**. Further details of how potential conflicts of interest should be identified and managed are set out in **Table 1** below.

16.MONITORING AND RECORDING POTENTIAL CONFLICTS OF INTEREST

16.1. All declarations should be collated and recorded on the Fund's Register of Conflicts of Interests (see **Appendix 2** for details on the format of the register).

16.2. In order for the Administering Authority to fulfil its obligations to manage and monitor potential conflicts of interests Board and Committee meetings will include an item on conflicts of interest at the start of each meeting.

16.3. The Fund's Register of conflicts of interest may be viewed by any interested party at any point in time. It will be made available on request by the LGPS Senior Officer. In order to identify whether the objectives of this Policy are being met, the LGPS Senior Officer will review the Register of Conflicts of Interest on an annual basis and consider whether there have been any potential or actual conflicts of interest that were not declared at the earliest opportunity. Further details are set out in Table 1 below.

17.MANAGING AND MITIGATING POTENTIAL CONFLICTS OF INTEREST

17.1. It is inevitable that conflicts of interest will arise, and it is important to recognise that there are various ways that conflict can be managed depending on the individual circumstances. These include:

- the individual concerned abstaining from discussion, decision-making or providing advice relating to the relevant issue
- the individual being excluded from the meeting(s) and any related correspondence or material in connection with the relevant issue (for example, a report for a Pension Fund Committee meeting), or
- a working group or sub-committee being established, excluding the individual concerned, to consider the matter outside of the formal meeting (where the terms of reference permit this to happen).

17.2. Provided that the Administering Authority, (having taken any professional advice deemed to be required) is satisfied that the method of management is satisfactory, Kent County Council shall endeavour to avoid the need to advise an individual to resign due to a conflict of interest or to request the appointing body to reconsider their appointment to the Committee.

TABLE 1 – MANAGING AND MITIGATING CONFLICTS OF INTERESTS

What is required?	How this will be done
Step 1 - Initial identification of interests which do or could give rise to a conflict	On appointment to their role or on the commencement of this Policy if later, all individuals will be provided with a copy of this Policy and be required to complete a Declaration of Interest the same or similar to that included in **Appendix 3.** The information contained in these declarations will be collated into the Pension Fund Register of Conflicts of Interest in a format the same or similar to that included in Appendix 2. At the commencement of any Pension Fund Committee, Board or other formal meeting where pension fund matters are to be discussed, the Chair will ask all those present who are covered by this Policy to declare any interests.
Step 2 - Management of potential or actual conflicts of interest	Where an actual conflict of interest on an agenda item is identified, an individual will be expected to exclude themselves from participating in the discussion and from voting on the relevant matter. Action will be recorded in the Minutes. Where a potential conflict of interest on an agenda item is identified prior to the meeting the individual will be expected to advise the Chair and LGPS Senior Officer who will consult with the Monitoring Officer (or their representative) regarding the individual's participation in the relevant discussion and vote based on all the available information.
Step 3 - Monitoring conflicts	All interests declared in meetings of the Committee, Board or and any other formal Pension Fund meetings, will be recorded in the minutes of the meeting and noted in the Fund's Register of Conflicts of Interest. Any potential or actual conflicts of interest identified outside of a meeting and the action taken will also be recorded on the Fund's Register of Conflicts of Interest. The Register will be kept under review by the LGPS Senior Officer and the Monitoring Officer (or their representative). Annually, all relevant individuals will be required to confirm in writing to the LGPS Senior Officer that the information held in respect to them is correct. The Fund's Register of Conflicts of Interest may be viewed by any interested party at any point in time. It will be made available to view by LGPS Senior Officer on request.

18. MINOR GIFTS AND HOSPITALITY

18.1. For the purposes of this Policy, gifts such as t-shirts, pens, trade show bags and other promotional items (subject to a notional maximum value of £30 per item) obtained at events such as conferences, training events, seminars, and trade shows, that are offered equally to all members of the public attending the event do not need to be declared. Kent County Council Officers are also required to comply with the Council's applicable Declaration of Interests, Gifts and Hospitality policy. Members and Co-Opted Members of the authority are also required to comply with the Kent Code of member Conduct rules on gifts and hospitality.

19. OPERATIONAL PROCEDURES FOR ADVISERS

19.1. The contract between the adviser or supplier and the Administering Authority will specify how conflicts of interest are managed. This will include all of the advisers and suppliers to the Kent Pension Fund being expected to have their own policies on how conflicts of interest will be managed in their relationships with their clients, and these should have been shared with, Kent County Council.

19.2. All advisers must:

- be provided with a copy of this Policy on appointment and whenever it is updated,
- adhere to the principles of this Policy,
- provide, on request, information to the Head of Pensions and Treasury in relation to how they will manage and monitor actual or potential conflicts of interest relating to the provision of advice or services to the Council
- notify the Head of Pensions and Treasury immediately should a potential or actual conflict of interest arise, and
- highlight at all meetings should a potential or actual conflict of interest arise, preferably at the start of the meeting.

All potential or actual conflicts notified by advisers will be recorded in the Fund's Register of conflicts of interest.

20. RESPONSIBILITY

21. The Council as the Administering Authority for the Kent Pension Fund must be satisfied that conflicts of interest are appropriately managed. For this purpose, the LGPS Senior Officer is the designated individual for ensuring the procedure outlined above is carried out.

22. However, it is the responsibility of each individual covered by this Policy to identify any potential instances where their personal, financial, business or other interests might come into conflict with their pension fund duties, to declare and register interests and seek advice and to withdraw from meetings if they are not complying.

23.KEY RISKS

23.1. The key risks to the delivery of this Policy are outlined below. All of these could result in an actual conflict of interest arising and not being properly managed. The LGPS Senior Officer will monitor these and other key risks and consider how to respond to them.

- Insufficient training or poor understanding in relation to individuals' roles on pension fund matters,
- Insufficient training or failure to communicate the requirements of this Policy,
- Failure by an individual to follow the requirements of this Policy,
- Absence of the individual nominated to manage the operational aspects of this Policy and no one deputising, or failure of that individual to carry out the operational aspects in accordance with this Policy, and
- Failure by the Chair to take appropriate action when a conflict is highlighted at a meeting

24.TRAINING

24.1. The fund recognises that Conflicts of Interest training is vital. The Fund's training on Conflicts of Interest training goes beyond simply defining a conflict. Instead, the aim is to ensure that Members and Officers can identify, declare and manage conflicts in practice. The core training topics are as follows:

Topic	Scope
Understanding conflicts	Actual, potential and perceived conflicts; personal, financial, professional and political interests.
Legal duties	Requirements under The Pensions Regulator General Code, Scheme Advisory Board guidance, local authority codes of conduct and pool governance arrangements.
Fiduciary responsibility	Acting in the best interests of scheme beneficiaries and distinguishing this from employer, political or organisational interests.
Declaration requirements	When and how to declare interests, maintaining registers of interests, gifts and hospitality requirements.
Managing conflicts	Recusal, restricted access to papers, abstention from voting, withdrawing from meetings and documenting decisions.

Consequences of poor management	Governance failures, regulatory criticism, legal challenge, reputational damage and potential impact on decision-making.

Bord and Committee Members are required to complete the tPR's E-toolkit which covers Conflicts of Interest within 6 months of joining the Fund.

25.COSTS

25.1. All costs related to the operation and implementation of this Policy will be met directly by Kent Pension Fund. However, no payments will be made to any individuals in relation to any time spent or expenses incurred in the disclosure or management of any potential or actual conflicts of interest under this Policy.

26.APPROVAL, REVIEW AND CONSULTATION

26.1. The Fund's original Conflicts of Interest Policy was approved on 8 December 2022. This updated policy is expected to be appropriate for the long-term, but it will continue to be regularly reviewed, at least formally every 3 years or as required, to ensure it remains accurate and relevant. Any recommendations and improvements identified during independent governance reviews will be incorporated into future versions of this Conflicts of Interest Policy.

26.2. The regulations require that consultation is required as part of the update of this Conflicts of Interest Policy, with such persons as the Administering Authority 'considers appropriate'. Consequently, Officers of Kent Pension Fund consulted with Pension Board and Pension Fund Committee prior to updating this policy, when it was acknowledged that the 2026 fund governance reforms required new policy requirements. A draft of this Conflicts of Interest Policy was taken to Pension Board on 25 November 2026 for scrutiny. A final draft was taken to Pension Fund Committee on 15 December 2026 for approval. The Fund's Pension Board includes employer and scheme member representatives. The Fund's Committee includes employer and scheme member representative and the Fund's Independent Person.

FURTHER INFORMATION

If you require further information about anything in or related to this Conflicts of Interest Policy, please contact:

Nick Buckland

Head of Pensions and Treasury, Kent County Council

E-mail – nick.buckland@kent.gov.uk

Telephone – 03000 418934

APPENDIX 1 - EXAMPLES OF POTENTIAL CONFLICTS OF INTEREST

The examples provided are for illustrative purposes only and are not designed to be an exhaustive list.

a) An elected member on the Pension Fund Committee may be required to provide views on a funding strategy which could result in an increase in employer contributions payable by the employer he or she represents.
b) An officer of the Fund or member of the Pension Fund Committee is on a BCPP group/committee, and a matter is being considered that would benefit their originating Council or Pension Fund to a greater degree than other participating Councils or Funds.
c) An officer of the Fund or member of the Pension Fund Committee accepts a dinner invitation from a provider who has submitted a bid as part of a tender process or might be in the process of preparing a bid for an open tender process.
d) The LGPS Senior Officer is asked to review an IDRP case relating to a close friend or relative.
e) An administrator in the Fund receives a case to calculate a benefit which relates to a family member, close friend, or colleague.
f) A Fund adviser is party to the development of a strategy which could result in additional work for their firm, for example, providing delegated or fiduciary management of Fund investments, providing assistance with monitoring the covenant of employers or where they are also advisers to BCPP.

APPENDIX 2 – KENT PENSION FUND – REGISTER OF POTENTIAL AND ACTUAL CONFLICTS OF INTEREST

All reported conflicts of interest will be recorded in the Minutes, and we will maintain and review a register of conflicts annually, updating the details whenever circumstances change.

Date identified	Name of Person	Role of Person	Details of Conflict	Actual or potential conflict	How notified (1)	Action (2)	Follow up required	Date resolved

(1) e.g. verbal declaration at meeting, written conflicts declaration, etc

(2) e.g. withdrawing from a decision-making process, left meeting

In practice, this register may include:

- Employment interests
- Directorships
- Elected Member roles
- Financial interests
- Family or close friendships to suppliers or advisers
- Gifts and hospitality

APPENDIX 3 – DECLARATION OF INTERESTS RELATING TO THE MANAGEMENT OF THE KENT PENSION FUND AS ADMINISTERED BY KENT COUNTY COUNCIL

I, _____ (insert full name), am:

- an Officer at Kent Pension Fund ☐
- a Committee or Board Member ☐

I set out below under the appropriate headings my interests, which I am required to declare under the Kent Pension Fund Conflicts of Interest Policy. I have put 'none' where I have no such interests under any heading.

Responsibilities or other interests that could result in a conflict of interest

(please list and continue overleaf if necessary):

A) relating to me
B) Relating to family members or associated persons

Undertaking:

I declare that I understand my responsibilities under the Kent Pension Fund Conflicts of Interest Policy. I undertake to notify the Head of Pensions and Treasury of any changes in the information set out above.

Signed:_____ Date:_____

Name: (CAPITAL LETTERS):_____

Subject area	Action required	Developments since June 2026
1: New strategies and policies	1a Schedule review of the existing policies and approval of the new policies taking into account the timing of Board and Committee meetings in the next 6-9 months	Awaiting specific guidance from SAB re. Pensions Admin Strategy update. Updated Training Strategy being taken to PB in Nov 2026 and PFC in Dec 2026 for approval. Updated Governance Strategy being taken to PB in Nov 2026 and PFC in Dec 2026 for approval.
	1b Wait and see if the new Governance Strategy will replace the current Governance Compliance Statement for the 2025/26 report and accounts	Done -The new Governance Strategy requirement replaces the Governance Compliance Statement.
2. Constitution changes - needed for the senior LGPS officer and independent person	2a Check the process for approving changes to the Constitution, Terms of Reference, Scheme of Delegation and raise with senior officers e.g. the Section 151 Officer, Monitoring Officer, Chief Executive and possibly the HR Director. Timetable the process to take to full Council and Selection and Member Services Committee	Done - Constitutional changes agreed with SMS Committee in October 2026 and approved by Full Council on 5th November 2026. KCC Constitution has been updated and complies with new statutory requirements.
3: Senior LGPS Officer	3a Review the current role of Head and Pensions and Treasury and amend it reflect the new requirements or create a new senior LGPS officer role	Matter is with the Head of Paid Service who is aware of 31/12/26 deadline.
	3b Review the Constitution, Scheme of delegation and Pension Fund Committee's Terms of Reference to allow for the role	Done - Constitutional changes agreed with SMS Committee in October 2026 and approved by Full Council on 5th November 2026. KCC Constitution has been updated and is complies with new statutory requirements.
	3c Review any sub-scheme of delegation to allow for the role	Done - Constitutional changes agreed with SMS Committee in October 2026 and approved by Full Council on 5th November 2026. KCC Constitution has been updated and complies with new statutory requirements.
	3d Ensure the senior LGPS officer represents the Fund on any officer working group of Border to Coast Pensions Partnership	Wil be progressed when LGPS Officer designated.
	3e Consider what the appointment process will be, which may depend on whether a new role is created or an existing officer role is designated to this role.	Matter is with the Head of Paid Service who is aware of 31/12/26 deadline.
	3f Consider the appropriate level of remuneration	Matter is with the Head of Paid Service who is

		aware of 31/12/26 deadline.
	3g Appoint to the new role within 6 months of the regulations coming into force	Matter is with the Head of Paid Service who is aware of 31/12/26 deadline.
4: Independent Person	4a Review the Constitution and Pension Fund Committee's Terms of Reference to allow for the role - noting the current expectation that it is a non-voting committee member	Done - Constitutional changes agreed with SMS Committee in October 2026 and approved by Full Council on 5th November 2026. KCC Constitution has been updated and complies with new statutory requirements.
	4b Review the scheme of Delegation, sub-scheme of delegation and possibly the Administering Authority's discretions policy, to identify where the independent person's support could or should be included	Constitutional changes agreed with SMS Committee in October 2026 and approved by Full Council on 5th November 2026. KCC Constitution has been updated and complies with new statutory requirements. Discretions policy to be reviewed in 2027.
	4c Consider what the appointment process will be, and consider starting the recruitment process early to navigate HR processes	Done – process approved by PFC in Sept 2026 and implemented.
	4d Consider the appropriate level of remuneration	Done - Confirmed in advert.
	4e Appoint to the new role within 6 months of the regulations coming into force	Done – Kevin McDonald appointed as IP for KPF.
5: Knowledge and Understanding	5a Build on the Fund's existing approach, keep records of all training and ensure the new training plan is adhered to	Updated Training Strategy being taken to PB in Nov 2026 and PFC in Dec 2026 for approval. NKA knowledge assessment for 2026 to be undertaken Nov-Dec 2026. Hot Topic Training now being delivered ahead of each PB and PFC meeting.
	5b Encourage Committee and Board members to feed in thoughts on the existing approach	Updated Training Strategy being taken to PB in Nov 2026 and PFC in Dec 2026 for approval.
	5c The senior LGPS officer should ensure training logs are reviewed regularly and identify any non-compliance	To be undertaken when LGPS senior officer has been designated.
	5d Put the new training strategy on the agenda for the Pensions Board and Pensions Committee March meetings	Updated Training Strategy being taken to PB in Nov 2026 and PFC in Dec 2026 for approval.

	5e Review and amend the Board and Committee's terms of reference to reflect the new knowledge and understanding requirements	Done - Constitutional changes agreed with SMS Committee in October 2026 and approved by Full Council on 5th November 2026. KCC Constitution has been updated and complies with new statutory requirements.
6: Independent Governance Reviews	6a Consider the previous governance review and if any additional actions should be carried out before the Independent Governance Review	Done – Pre-IGR completed 2026 and discussed with PB and PFC (actions as per this table)
	6b Decide who will carry out the independent governance review	Initial discussions with KCC Procurement and Commissioning team held Nov 2026. Specification in draft.
	6c Decide on the scope of the review i.e. whether to include additional areas not required in the final guidance which would nevertheless add value for the Fund	Specification in draft.
	6d Decide when the first independent governance review will be carried out before 31 March 2028	Currently aiming to instruct Q1 and undertake in Q2 2027.
	6e Consider when the subsequent IGRs will be carried out	Potentially 2030, if IGR undertaken in 2027.
	6f Consider if Kent County Council want to enter the LGPS peer support process (this is not just for funds which require active support)	Done – Formal IGR peer support process not being undertaken but IGR knowledge sharing with other Funds is taking place (LGA workshop attendance in Sept 2026, video calls with other Fund Gov officers from BCPP and other Funds.

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To: Kent Pension Board – 25 November 2026

From: Chairman Kent Pension Board, Corporate Director - Finance

Subject: Employer Governance Matters

Classification: Unrestricted

Executive Summary:

This report provides an update on Fund employers' governance, and admission matters.

An update is also provided on Committee's delegation in December 2024 to the Head of Pensions and Treasury, regarding new Fund employer and employer exit decisions, with an associated recommendation to be taken to Committee at their meeting in December.

Summary of key employer governance statistics and employer activity:

- The total number of employers in the Fund has increased from 476 to 482 over the quarter to 30 September 2026.
- Contribution income for this quarter totalled £86.2m.
- The Fund received an average of 99% of contributions measured by value and an average of 96% of contributions measured by employer on time during this quarter.
- A number of new admissions and exiting employer arrangements have been agreed by the Head of Pensions and Treasury as routinely reported to the Board and Committee. These are detailed in the attached Appendix One issued on the Member Portal.
- Further to a review by Fund officers, a recommendation will be taken to Committee at their December 2026 meeting to continue with the delegation agreed in December 2024 to the Head of Pensions and Treasury, to agree new employer admission and cessation arrangements.

Recommendation:

The Board is recommended to note the report.

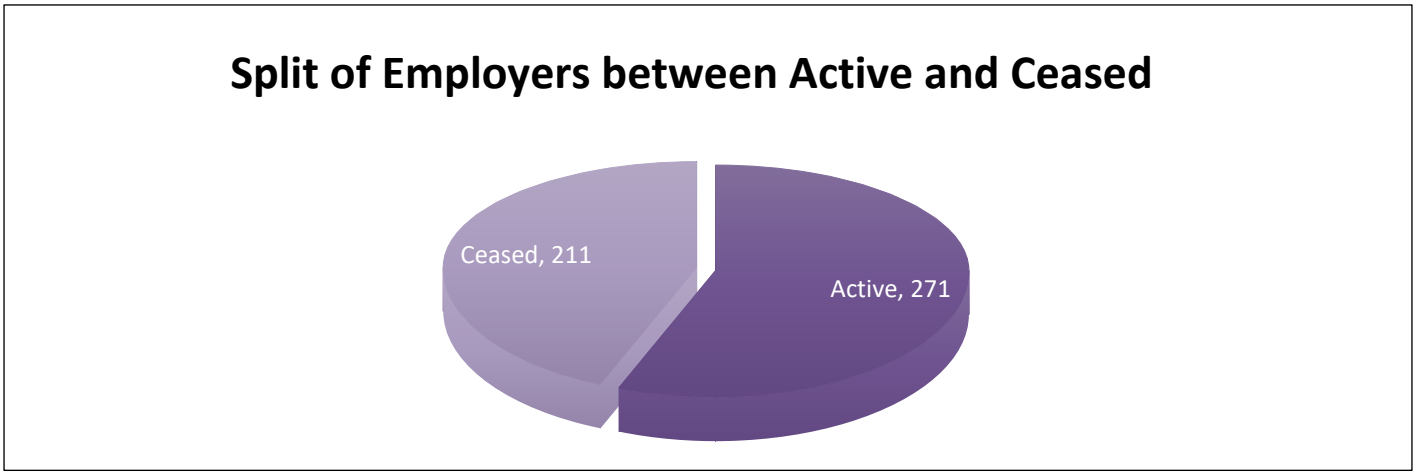
FOR INFORMATION

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1 Employer update for the 3 months to 30 September 2026

1.1 On 30 June 2026 there were 476 employers in the Fund. This number increased by six overall since then to 482 employers in the Fund on 30 September 2026.

1.2 During this period, four admitted bodies, one resolution body and one multi-academy trust legally joined the Fund as active employers[1]. Four employers ceased as active employers[2] (which does not affect the total number).



Type	New Employers	Date Joined Fund	Date Legally Completed
Admitted Body	Birkin Cleaning Services Ltd (re Maplesden Noakes)	1 August 2021	29 June 2026
Admitted Body	Birkin Cleaning Services Ltd (re Maritime Academy Trust)	9 August 2023	17 July 2026
Admitted Body	Cater Link Ltd (re Borough Green Primary)	1 September 2025	22 September 2026
Admitted Body	Cleantec Services Ltd (re Swale Academy Trust)	20 October 2025	28 August 2026
Resolution Body	Downswood Parish Council	1 August 2026	23 July 2026
Academy Trust	The Bluebell MAT	1 September 2026	16 October 2026

Type	Ceased Employers	Cessation Date
Admitted Body	Birkin Cleaning Services Ltd (re Maplesden Noakes)	31 July 2025 (joined and left within the quarter)
Admitted	Exclusive Contract Services Ltd	31 December 2025 (late notification of

[1] 'Pending' to 'Active' on Fund database.
[2] 'Active' to 'Ceased' on Fund database.

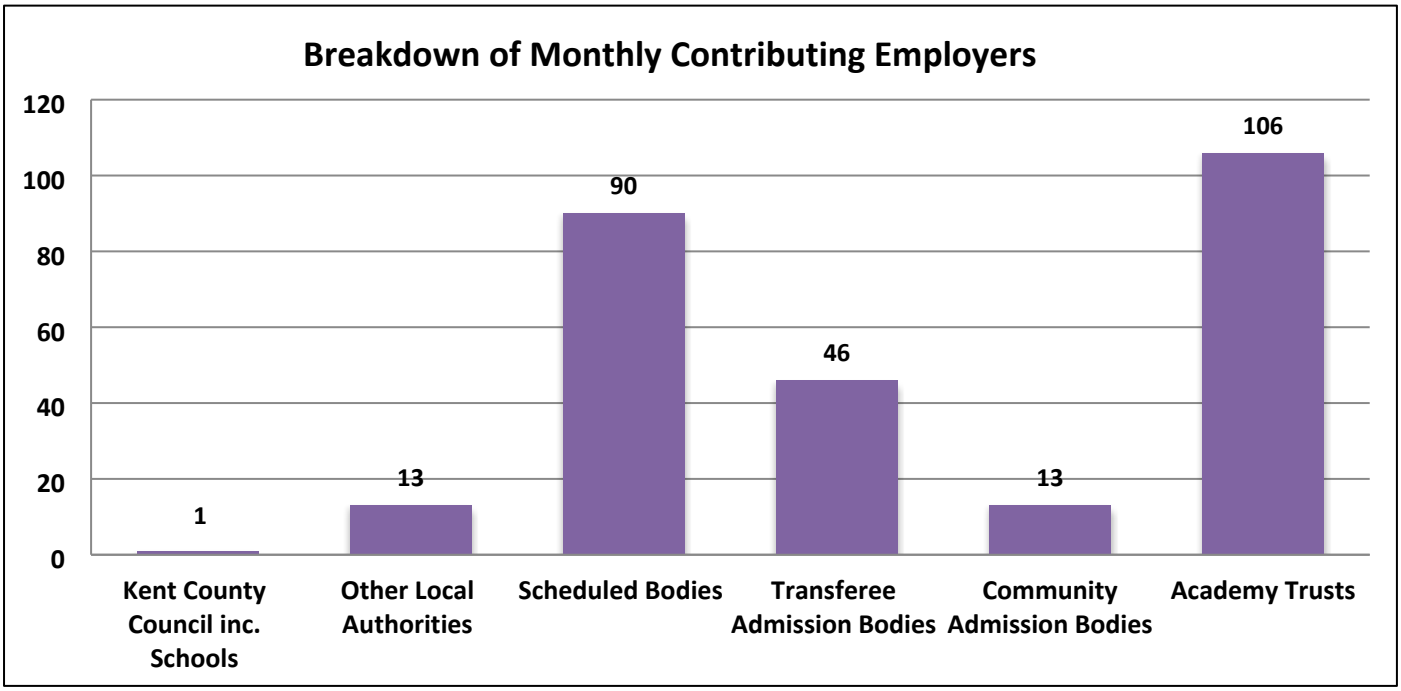
Body		leaving)
Resolution Body	Eythorne Parish Council	1 June 2026
Academy Trust	Rainham Mark Educational Trust	30 September 2026

1.3 In quarter two the Fund received £86.2m in respect of monthly contributions (employer and employee) as follows:

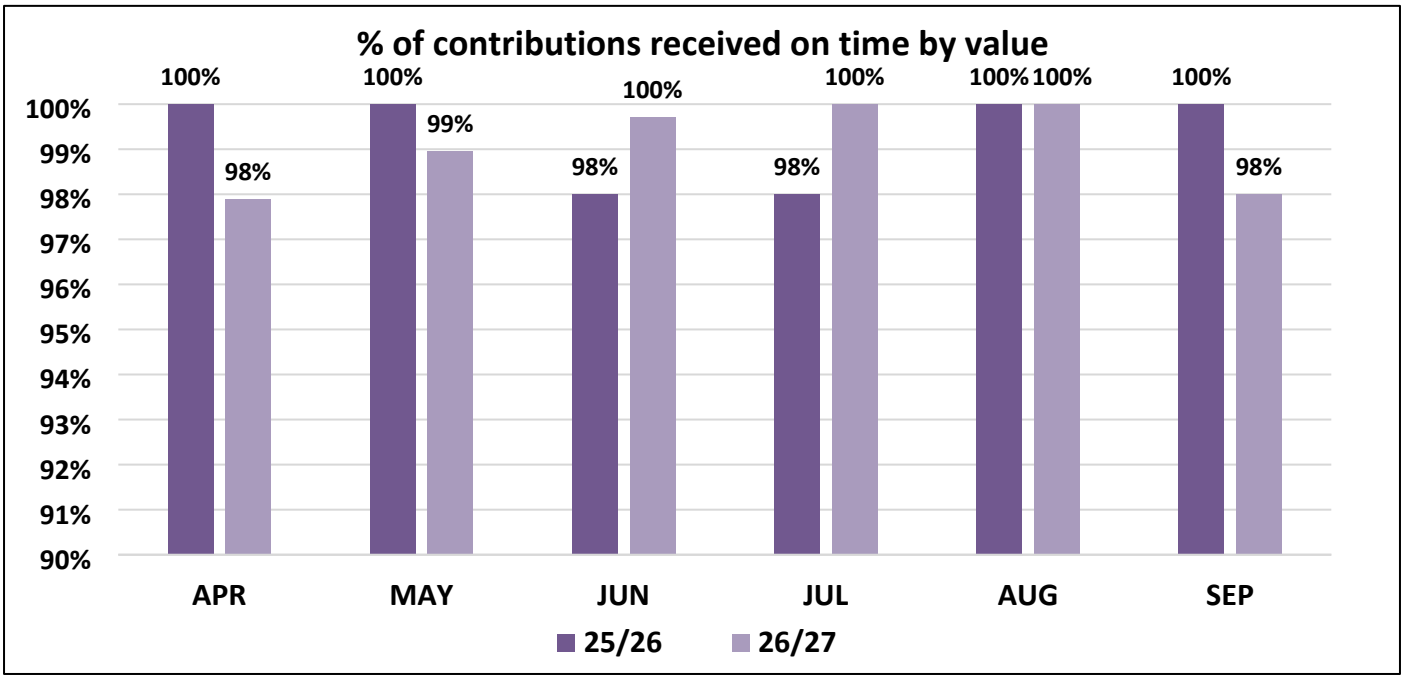
	Received Early	Received on 19th	Received Late	Total
	£	£	£	£
July	20,039,769.79	8,533,291.73	70,235.07	28,643,297
August	16,932,387.31	11,566,357.57	32,247.68	28,530,993
September	19,210,380.19	9,313,013.05	527,694.02	29,051,087

1.4 The £86.2m compares with contributions received for quarter 2 of 2025/26 of £88.9m as employer and employee membership will have changed and following the 2025 triennial valuation employer contribution rates have largely decreased for the three years to 31 March 2029.

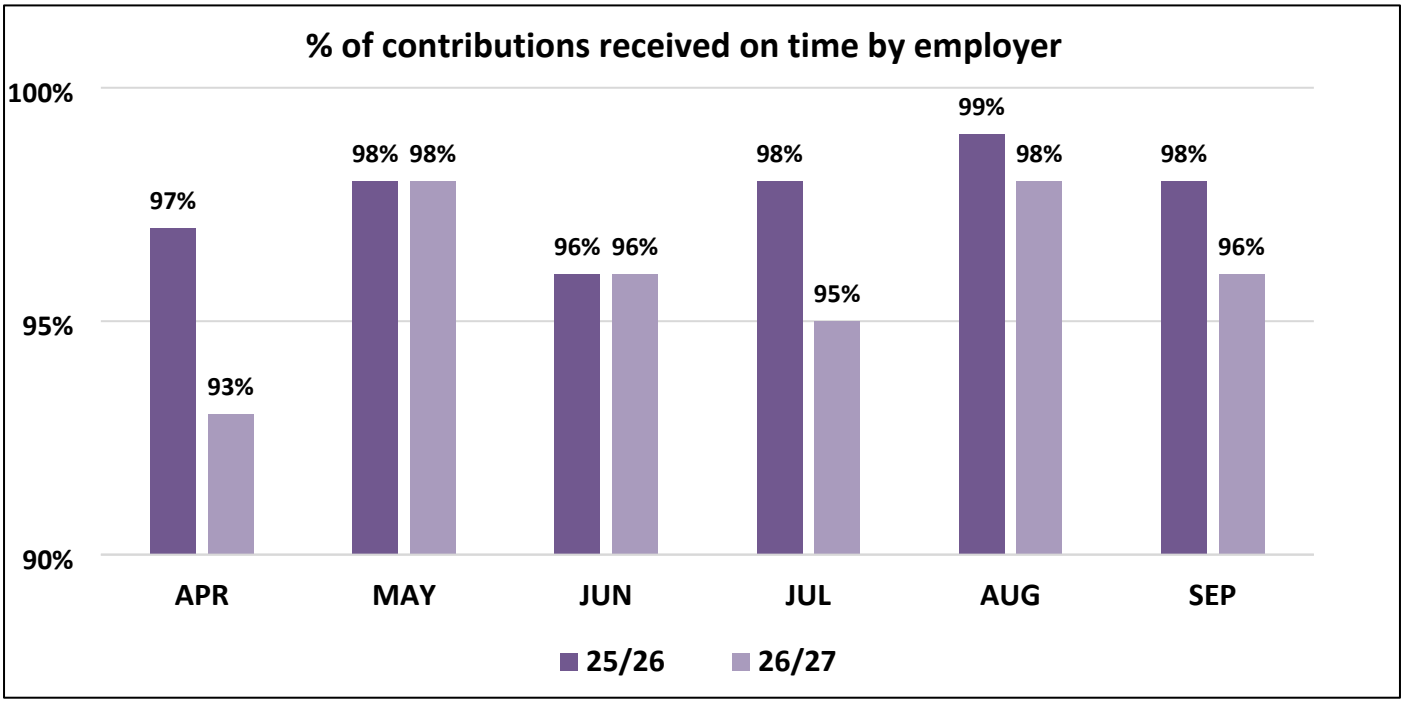
1.5 The following chart shows employers from whom the Fund receives monthly contributions by Employer Group. We note that two employers are not included, as they contribute annually.



1.6 The following chart shows the % of contributions received on time by value:



1.7 The following chart shows the % of contributions received on time by employer: In September, the 19th fell on a Saturday. The Fund sends reminders when the 19th falls on a non-business day.



2 Delegation of authority to the Head of Pensions and Treasury review

2.1 This paper summarises a review of previous Committee delegations to the Head of Pensions and Treasury for new employer admission and cessation arrangements, with an associated recommendation for consideration to be made to continue this arrangement at the Committee's meeting in December 2026.

Background

2.2 At their meeting on 21 June 2019 Committee agreed the following delegations to officers for signing off -

- Legal agreements re admission body arrangements: – Treasury and Investments Manager (Alison Mings) / Senior Accountant – Pension Fund (Steve Tagg) / Investments Accountant (Sangeeta Surana) / Pension Fund Business Partner (Nick Vickers); and

- termination letters re returns of surplus up to £20k and notifications re deficits, as described in the actuary's reports: - Treasury and Investments Manager (Alison Mings) / Senior Accountant – Pension Fund (Steve Tagg) / Investments Accountant (Sangeeta Surana) / Pension Fund Business Partner (Nick Vickers).

2.3 In practice, the 2019 delegations above were designed for 'emergency' situations only that may require decisions outside of the usual Committee meetings, and so all routine new employer admission and cessation decisions continued to be made by Committee. Committee decisions were then reported retrospectively to the Board.

2.4 At their meeting on 3 December 2024 Committee agreed to further -

- delegate authority to agree to any new admission agreements to the Head of Pensions and Treasury subject to satisfactory legal and actuarial advice, including authority for the admission agreement and its associated security (a bond or guarantee) to be legally sealed on behalf of KCC as Administering Authority; and

- to delegate authority to the Head of Pensions and Treasury to discharge associated security (a bond or guarantee) and issue a Termination Certificate to an exiting employer.

2.5 In practice, the 2024 delegations above have seen all new employer and cessation decisions made by the Head of Pensions and Treasury, as then reported post factum to the Board and Committee.

2.6 It was agreed at this meeting to then review these delegations in 12 months' time (i.e. at the Committee's winter meeting in 2025) to ensure that the arrangements are working as intended and remain appropriate.

2.7 At their meeting on 19 March 2025 Committee agreed to -

- delegate authority to the Head of Pensions and Treasury to discharge any surplus when an employer exits the Fund.

2.8 At their meeting on 11 December 2025 Committee agreed to -

- an ongoing delegation to the Head of Pensions and Treasury to agree all new employer admission applications and cessation cases.

- Committee wished to review the arrangements annually, the next review would take place at the Dec 2026 meeting.

<u>Review of delegation</u>

2.9 As agreed at the Committee's meetings in December 2024 and December 2025 as mentioned above, officers reviewed these delegations with the Head of Pensions and Treasury to ensure they remain appropriate and are working as intended and continue to do so annually.

2.10 Officers are comfortable that the delegations remain appropriate as a result of which operational efficiencies have been achieved which has allowed Fund officers to complete cases more quickly than if they had been taken to Committee meetings for a decision.

2.11 To support these decisions, actuarial advice from Howden and legal advice from Invicta Law will continue to be obtained as necessary as well as due diligence from the Fund, such as credit checks, when decisions are made by the Head of Pensions and Treasury.

2.12 Decisions made by the Head of Pensions and Treasury under this delegation are routinely reported to the Board and Committee as seen in Appendix One.

2.13 Feedback received from Nick Buckland as Head of Pensions and Treasury on 2 October 2026 stated that, *"I am happy for the arrangement to continue, it seems to have gone well and has made the process simpler and easier to administer. This arrangement also fits with the change in Governance regulation requiring the LGPS Senior Officer to have delegated authority across all aspects of management of the Fund".*

2.14 Committee wished to review the arrangements annually i.e. the next review will take place at the December 2027 meeting.

2.15 A recommendation will be made by Fund officers to the Committee on 15 December 2026 to continue the delegation to the Head of Pensions and Treasury for new admission and cessation cases, which as mentioned above will be reviewed again at their December 2027 meeting.

Appendix One: Employer admissions and associated matters

Steven Tagg, Employers' Governance, Compliance and Funding Principal Accountant.

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9 November 2026

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1. Employer admission and associated matters

The following matters were agreed by Nick Buckland Head of Pensions and Treasury under Committee's delegated authority agreed at their meeting on 3 December 2024. These will now proceed to legal completion stage.

New Employers

	Admitted Body/Company Number	Scheme Employer	Admission Date	Contract Length	Security	Contribution Rate	Transferring staff
1	Ringway Infrastructure Services Ltd 02756434	Kent County Council	01/05/2026	14 Years	Parent Company Guarantee: £597k	26.6%	6
2	Independent Catering Management Ltd 3222546	Turner Schools Trust	01/08/2024	3 Years	N/A 'pass - through' to Turner Schools Trust	22.5%	2
3	Get Golfing (CIO) 1179513	Maidstone Borough Council (MBC)	01/10/2023	25 Years	N/A 'pass-through' to MBC	24%	1

Cessations

	Admitted Body/Fund accounting code	Scheme Employer	Admission date	Cessation date	Cessation Position	Officer Decision
1	Medway Community Healthcare (MCH) - Balfour 70394	Medway Council	01/04/2013	31/03/2026	Surplus £540k	Return of Surplus to MCH and bond discharge of £201k
2	Agilisys Ltd 70825	Kent County Council	09/12/2015	31/03/2026	Deficit of £4k collected 26/8/2026	Discharge of Bond of £353k
3	Medway Community Healthcare - drivers at Balfour 70807	Medway Council	01/05/2014	04/06/2025	Surplus £37k	Return of Surplus to MCH

Other Decisions

	Admitted Body/Company Number	Scheme Employer	Event date	Decision
1	Olive Dining Ltd 08093774	Hillview School for Girls (Academy)	01/09/2024	Contract ended before admission complete. Therefore, treated Olive Dining Ltd as having never joined the Kent Pension Fund as an admitted body in relation to the TUPE transfer of staff from Scheme employer: Hillview School for Girls (Academy); and accepting contributions deducted by Olive Dining Ltd from Hillview School for Girls for the period the staff transferred to Olive Dining Ltd. Thereby treating members pensions as if they had remained in employment with Hillview School for Girls.
2	Vivify Venues Ltd 12770812	KCC re Tunbridge Wells Grammar School for Boys	01/09/2023	Initially Vivify Venues Ltd did not apply to join the Fund which has now been legally completed. Employee and employer contributions paid into a Stakeholder pension arrangement in error. As agreed by the one individual involved, Fund arranged for the transfer value from the Stakeholder scheme to offset the backdated LGPS employee and employer contributions owed to the Fund for the period of September 2023 to June 2026 inclusive. Any further LGPS employer contribution arrears will be paid to the Fund by Vivify Venues Ltd as usual.

Steven Tagg, Employers Governance, Compliance and Funding Principal Accountant.

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9 November 2026

To: Kent Pension Board – 25 November 2026

From: Chairman Kent Pension Board
Corporate Director of Finance

Subject: Pension Fund Report & Accounts and External Audit

Classification: Unrestricted

Executive Summary:

This report presents the draft Annual Report and Accounts of the Kent Pension Fund for 2025-26.

The external audit is substantively complete and was taken to the Governance and Audit Committee in October where the Fund's draft Audit Findings Report was reviewed and the Letter of Representation was signed. Grant Thornton (GT) is expecting to issue an unqualified opinion on the Fund's accounts.

Grant Thornton is currently working on the Council's audit to resolve a few final queries. Grant Thornton is unable to sign the final opinion for the Fund until after the Council's audit is complete and issues are resolved. However, we are not anticipating any changes to the Fund's audit opinion and should receive the final signed unmodified opinion in due course.

There is a statutory deadline under the LGPS Regulations to publish the Annual Report on or before 1 December each year. Should the final audit certificate not be received by the 1 December deadline, the draft Annual Report (attached in Appendix 1) will be published in the interim to support transparency, before being updated with the final version once available.

Recommendation:

The Board is recommended to note the report.

FOR INFORMATION

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1 Annual Report and Accounts

1.1 Guidance issued by CIPFA in 2019 for Local Government Pension Scheme Funds on preparing the Annual Report requires the Kent Pension Fund Annual Report to be formally reviewed by the Committee and authorised by the Chair of the Pension Fund Committee and the Corporate Director - Finance.[1]

1.2 Additionally, under the LGPS Regulations, the Fund must publish the Annual Report on or before 1 December each year following the scheme year end.

1.3 The Pension Fund accounts and Annual Report have been prepared and have been externally audited by Grant Thornton. At the time of writing this report, the audit of the Pension Funds' accounts is substantively complete, and the draft Audit Findings Report (AFR) was presented by Grant Thornton to the Governance and Audit Committee at October's meeting, on the basis that they do not expect the remaining audit work to materially impact their audit findings.

[1] CIPFA Preparing the Annual Report: Guidance for Local Government Pension Scheme Funds (2019 Edition)

1.4 Generally, the AFR contains any major findings arising from the external audit and is issued to those charged with governance (Governance and Audit Committee) to oversee the financial reporting process. The AFR for the Fund for 2025-26 has not identified any unadjusted errors or misstatements and the auditors expect to issue an unqualified Audit Opinion on the Pension Fund accounts.

1.5 The Governance and Audit Committee also received the Council's Statement of Accounts for 2025/26 (including the Pension Fund accounts) at their October meeting, and colleagues are still working with GT to resolve a few final outstanding queries on the KCC-side. However, in the case of the Pension Fund, the final audit certificate can only be issued when the external audit of the Council's Statement of Accounts is complete and, as a result, we are still awaiting this.

1.6 Local Government Pension Schemes have a statutory duty to publish their Annual Reports on 1 December each year. The Annual Report is complete, apart from the addition of the final signed audit certificate. Should the audit certificate still be outstanding by 1 December 2026, the draft version of the Annual Report will be published on the Fund's website.

1.7 Whilst this does not strictly meet the regulatory requirement, officers judge that it will aid transparency and assist stakeholders by providing information pertaining to the financial year 2025-26 on a timely basis. The website will then be updated with the final version once the audit certificate has been received.

1.8 A copy of the draft 2025-26 Pension Fund Annual Report and Accounts is attached at Appendix 1 and the draft Audit Findings Report has been attached at Appendix 2.

Appendices:

Appendix One - Kent Pension Fund – Audit Findings Report 2025/26

Appendix Two - Kent Pension Fund Annual Report and Accounts – 2025/26

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25 November 2026

Audit Findings (ISA 260) Report for Kent Pension Fund

Year ended 31 March 2026

15th October 2026

Kent Pension Fund
Sessions House
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Maidstone, Kent
ME14 1XQ

Grant Thornton UK LLP
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Dear Members of the Governance and Audit Committee,

Audit Findings for Kent Pension Fund for the 31 March 2026

This Audit Findings Report presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process and confirmation of auditor independence, as required by International Standard on Auditing (UK) 260. Its contents have been discussed with management.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent.

Chartered Accountants

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We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

We encourage you to read our transparency report which sets out how the firm complies with the requirements of the Audit Firm Governance Code and the steps we have taken to manage risk, quality and internal control particularly through our Quality Management Approach. The report includes information on the firm's processes and practices for quality control, for ensuring independence and objectivity, for partner remuneration, our governance, our international network arrangements and our core values, amongst other things. This report is available at grant-thornton-transparency-report-2025.pdf.

We would like to take this opportunity to record our appreciation for the kind assistance provided by the finance team and other staff during our audit.

Parris Williams

Public Sector Audit Director
For Grant Thornton UK LLP

Chartered Accountants

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Headlines

This page and the following summarises the key findings and other matters arising from the statutory audit of Kent Pension Fund (the 'Pension Fund') and the preparation of the Pension Fund's financial statements for the year ended 31 March 2026 for the attention of those charged with governance, the Governance and Audit committee.

Financial statements

Under International Standards of Audit (UK) (ISAs) and the National Audit Office (NAO) Code of Audit Practice (the 'Code'), we are required to report whether, in our opinion, the Pension Fund's financial statements:

- give a true and fair view of the financial transactions of the Pension Fund year ended 31 March 2026 and of the amount and disposition at that date of the fund's assets and liabilities, other than liabilities to pay promised retirement benefits after the end of the year.
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting and prepared in accordance with the Local Audit and Accountability Act 2014.

We are also required to report whether other information published together with the audited financial statements (including the Annual Governance Statement (AGS), the Narrative Report and the administering authority's financial statements), is materially consistent with the Pension Fund's financial statements and with our knowledge obtained during the audit, or otherwise whether this information appears to be materially misstated.

Audit planning work was completed between February and March 2026. During 2025/26, we introduced interim audit procedures and also performed additional work in April 2026 in relation to the 2025 triennial actuarial valuation. We presented our Audit Plan to the Governance and Audit Committee on 25 March 2026. There have been no changes to the audit risks identified and communicated in our Audit Plan, other than the revision to materiality following receipt of the draft financial statements, as detailed on pages 7 to 8.

Audit fieldwork was conducted between mid-June and September 2026 in line with the agreed audit timetable. The draft financial statements were provided ahead of the statutory deadline, enabling us to commence and progress our audit procedures in a timely manner.

In addition, the supporting working papers and audit evidence were prepared to a high standard, and audit queries were responded to promptly and comprehensively throughout the audit. Management's proactive and collaborative approach, together with the early completion of key audit procedures, contributed to an efficient and smooth audit process and supported the timely delivery of our audit. We would like to thank management and officers for their continued cooperation and assistance throughout the audit.

During the audit, one adjustment has been made to the financial statements by management following publication of the draft accounts. This relates to an updated investment valuation received after the draft financial statements had been prepared, resulting in a £4.3 million adjustment. The difference arose due to timing, as fund manager confirmations were not available when the draft financial statements were prepared and management therefore used the best information available at that time.

We have reviewed the revised valuation as part of our audit procedures and are satisfied that it is supported by appropriate evidence. Further details are provided on page 23.

We have also raised four control recommendations, which are set out on page 26 to 29. Our follow-up of prior year recommendations is included on page 30 to 31

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Headlines (continued)

Financial statements

Our work is complete, however to date there are no matter of which we are aware that require modification of our audit opinion or material changes to the financial statement, subject to the following matters

Items in progress with management

- We have requested additional information from management regarding the level of access assigned within the Altair pension administration system in order to assess any potential audit implications. We are awaiting management's response at the date of this report.

Items relating to the conclusion of the audit

- Senior engagement quality review.

Matters which can only be closed following the audit committee on 15th October 2026:

- Receipt of signed management representation letter;
- Review of the final set of financial statements; and
- Receipt of subsequent events confirmation email from management.

Audit Opinion

We have concluded that the other information to be published with the financial statements is consistent with our knowledge of your organization and the financial statement we have audited.

Our draft Audit Report is attached as a separate agenda item.

We are required to provide a separate opinion on whether the financial statements included within the Pension Fund Annual Report are consistent with the audited financial statements. We intend to issue this consistency opinion at the same time as our audit opinion on the Pension Fund financial statements. However, it should be noted that both the Pension Fund audit opinion and the associated consistency opinion can only be issued once the audit opinion for Kent County Council, as the Fund's administering authority, has been signed.

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Our approach to materiality

As communicated in our Audit Plan dated 25th March 2026, we determined headline materiality at the planning stage as £126.7 million based on 1.5% of Gross Investment Assets as at 31 March 2025. Upon receipt of the draft 2025/26 financial statements, we have reassessed and revised our materiality threshold by applying the same 1.5% benchmark to the updated Gross Investment Asset figures reported in the current year draft accounts. This update was necessary to ensure that materiality is aligned to the most up to date balances reported in the draft accounts, rather than the prior year figures used at the planning stage.

A recap of our approach to determining materiality is set out below.

Basis for our determination of materiality

We have determined fieldwork materiality based on professional judgement in the context of our knowledge of the Fund. This includes consideration of factors such as user expectations, industry developments, financial stability, and the financial reporting requirements applicable to the Fund. We have also performed an analysis by considering the materiality of the Grant Thornton admitted Bodies to evaluate the materiality benchmark, taking their share of assets into consideration. This analysis is conducted to provide appropriate IAS 19 assurance and is a required task in accordance with out firm's guidelines.

Based on this analysis, we have established materiality for the Fund's financial statements at £141.3m (PY: £126.7m), representing 1.5% of Gross Investment Assets as reported in the draft 2025/26 financial statements

Performance materiality

Performance materiality has been set at £105.9m (PY £94.8m), representing 75% of overall materiality, in line with the approach taken in the prior year. This benchmark was determined following a review of the previous year's audit, which did not identify any significant misstatements or weaknesses in the control environment. Additionally, we have not observed any indicators of increased fraud risk.

While the percentage benchmark remains unchanged, the performance materiality figure has been updated to reflect the revised overall materiality, which was recalculated using the Gross Investment Asset figures reported in the draft 2025/26 financial statements. This ensures that our audit approach remains aligned with the most current financial data available.

Specific materialities for Benefits Payable and Contributions

In prior years, a lower materiality was applied across the Fund Account as a whole. For 2024/25, this was set at £38.8m, based on gross expenditure within the Fund Account.

For 2025/26, we have refined our approach and established separate specific materiality thresholds of £37.1m for contributions and £35.3m for benefits payable. This reflects the significance of these transaction streams to Fund members, given their high volume and direct impact on member entitlements, while recognising that the underlying processes are generally routine and well established. Whilst the thresholds are broadly consistent with the level of audit focus applied in prior years, the lower materiality is now targeted specifically at contributions and benefits payable rather than the Fund Account as a whole. This approach allows our audit procedures to be more focused on those areas of greatest relevance to members while remaining proportionate and responsive to the current year's financial information.

Reporting threshold

We will report to you all misstatements identified in excess of £7m, in addition to any matters considered to be qualitatively material.

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Our approach to materiality (continued)

A summary of our approach to determining materiality is set out below.

Description	Amount (£)	Qualitative factors considered
Headline Materiality for the Fund's financial statements	141,300,000	In determining headline materiality for the audit, we considered user expectations and the level of audit risk associated with the engagement. Given the size and public profile of the Kent Pension Fund, we applied a benchmark of 1.5% of Gross Investment Assets, which we consider appropriate for this audit. To support this assessment, we conducted a comparative analysis of materiality levels applied to Grant Thornton-admitted bodies, taking into account their respective share of assets. This analysis, which is required under our firm's methodology to ensure appropriate IAS 19 assurance, further supports the use of the 1.5% benchmark. This benchmark is consistent with the prior year, and based on our current evaluation, we have not identified any factors that would justify a reduction.
Performance Materiality for the Fund's financial Statements	105,900,000	We have set the performance materiality at 75% of the overall materiality, consistent with last year. In determining this benchmark, we reviewed the previous year's audit work and did not find any significant misstatements or deficiencies within the control environment. Additionally, there are no indications of increased fraud risk, leading us to conclude that maintaining the same level of performance materiality as the previous audit is appropriate.
Triviality*	7,000,000	Triviality is 5% of materiality; this is consistent with the prior year and with the firm guidelines and constitute our reporting threshold to those charged with governance.

*We have determined that there is no requirement to establish separate triviality for Contribution and benefits payable. As a result, we have chosen to utilize the main triviality threshold for our audit procedures

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Our approach to materiality (continued)

Description	Amount (£)	Qualitative factors considered
Lower specific materiality for Contribution	37,100,000	A lower specific materiality was applied to contributions as they represented a significant and high volume class of transactions within the scheme and were an area of particular focus for both members and regulators. Errors or omissions in recording contributions could have directly influenced member benefit entitlements and therefore required an appropriate level of audit attention. Although the contribution value for Kent Pension Fund was substantial, the associated processes were relatively straightforward and did not involve complex calculations or significant judgemental inputs. Given the combination of high volume but low complexity, specific materiality was set at 10% of total contributions, based on the contribution balance as at 31 March 2026. This approach ensured that the threshold remained sufficiently sensitive to identify potential misstatements while remaining proportionate to the risk profile of this balance
Lower specific materiality for benefit payable	35,300,000	A lower specific materiality was applied to benefits payable as these transactions represented payments made directly to members and were therefore inherently sensitive. Any misstatement in benefit payments could have had a direct impact on members and may have given rise to reputational or regulatory concerns for the scheme. Given the nature of these payments, a specific materiality threshold was considered necessary to ensure an appropriate level of audit attention was directed toward this area. While the overall value of benefit payments was significant, the processes underpinning these transactions were generally well established and were not overly complex. Consistent with our audit methodology, where transaction streams are sensitive but not complex, specific materiality was applied at 10% of total benefit payments, based on the balance as at 31 March 2026. This provided a proportionate and risk-focused threshold for this balance

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Overview of audit risks

Significant risks are defined by ISAs (UK) as an identified risk of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum due to the degree to which risk factors affect the combination of the likelihood of a misstatement occurring and the magnitude of the potential misstatement if that misstatement occurs.

Significant classes of transactions, account balances, and disclosures, are associated with risks of material misstatement but are not always significant risks (SCOT+).

Material only are material financial statement line items not associated with risks of material misstatement.

Other audit risks are accounts that are not associated with any SCOT + or with a material only financial statement line item or disclosure.

Risk title	Risk level	Change in risk since Audit Plan	Fraud risk	Status of work
Management override of controls	Significant	↔	✓	G
Valuation of Level 3 Investments (excluding directly held properties)	Significant	↔	✗	G
Valuation of Directly held properties	Significant	↔	✗	G
Actuarial Present Value of Promised Retirement Benefits disclosure – IAS 26	Significant	↔	✗	G
Oracle system implementation and data Migration	Significant	↔	✗	G
Valuation of Level 2 investments	SCOT+	↔	✗	G
Benefit payable	SCOT+	↔	✗	G
Contribution receivable	SCOT+	↔	✗	G

↑ Assessed risk increased since audit plan

↔ Assessed risk consistent with audit plan

↓ Assessed risk decrease since audit plan

G Work has been completed, no material adjustment or change to disclosure within the financial statements

A Work not yet complete, potential to result in material adjustment or significant change to disclosure within the financial statements

R Issue with work completed to date, likely to result in material adjustment or significant changes to disclosures within the financial statements

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Significant risks

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

This section provides commentary on the significant audit risks communicated in the Audit Plan.

Risk identified	Audit procedures performed	Key observations
Management override of controls Under ISA (UK) 240, there is a non-rebuttable presumption that the risk of management override of controls is present in all entities. Significant	As part of our audit procedures, we : • evaluated the design and implementation of management controls over journals entries; • analysed the journals listing and determined the criteria for selecting high risk unusual journals; • identified and tested unusual journals made during the year and the accounts production stage and assessed their appropriateness and supporting evidence; • gained an understanding of the accounting estimates and critical judgements applied by management and considered their reasonableness with reference to corroborative evidence; and • evaluated the rationale for any changes in accounting policies, accounting estimates, or significant unusual transaction	We have not identified any changes to accounting policies or estimation methodologies for the 2025/26 financial year. Based on the work performed, no issues have been identified. **Conclusion** Based on the procedures performed, we did not identify any instances of management override of controls, and no matters were identified that required reporting.

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Significant risks (continued)

Risk identified	Audit procedures performed	Key observations
Valuation of level 3 investments (excluding directly held properties) The valuations of level 3 investments are based on unobservable inputs and hence there is a risk of material misstatement due to error and/or fraud. Significant	As part of our audit procedures, we : • obtained an understanding of the management processes for valuing the level 3 investments and evaluated the design and implementation effectiveness of the associated controls; • reviewed the nature and basis of estimated values and considered the assurance obtained by management over the year-end valuations provided for these investments to ensure that the requirement of the code were met; • independently requested year-end confirmation from investment managers; • for a sample of investments, tested the valuations by obtaining and reviewing the latest available audited accounts for individual • investments and agreeing these to the fund management reports at the corresponding dates. We reconciled those values to the balances at 31 March 2026 with references to known movements in the intervening period; • where available, reviewed investment manager service auditor report on the design and operating effectiveness of internal controls; • wrote to the fund managers to confirm the basis on which the valuation was carried out and to ensure that the requirement of the code were met.	We identified one audit adjustment of £4.3 million, proposed and processed by management, in relation to the valuation of Level 3 investments. This adjustment arose following the receipt of updated valuation information from the fund manager after the draft financial statements had been prepared. As the final fund manager confirmations were not available when the draft accounts were produced, management relied on the best information available at that date. The revised valuation replaced earlier estimates and reflects more accurate and up-to-date information. Such post-publication adjustments are not uncommon in pension fund reporting and demonstrate management's commitment to ensuring that the financial statements reflect the most robust and reliable information available. Further details are provided within the Audit Adjustments section of this report. **Conclusion** Based on the procedures performed in relation to the valuation of Level 3 investments, we are satisfied that the valuation methodology has been applied consistently and that management's judgements and assumptions are reasonable.

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Significant risks (continued)

Risk identified	Audit procedures performed	Key observations
Valuation of directly held investment property The valuations of directly held property are a significant accounting estimate based upon a number of judgments and key assumptions and hence there is a risk of material misstatement due to error. Significant	As part of our audit procedures, we have: • Gained an understanding of management's valuation processes and evaluated the design and implementation of the associated controls • Assessed management's methodology and assumptions used in the estimation process, including the instructions provided to the external valuer and the scope of their work. • Evaluated the competence, capabilities, and objectivity of the appointed valuer. • Obtained direct confirmation from the valuer regarding the basis and methodology used in the valuation. • Engaged our own valuation expert to review the instructions issued to the Fund's valuer and assess the reasonableness of the underlying assumptions. • Challenged the data and assumptions used by the valuer to ensure they were complete and consistent with our understanding of the Fund's assets. • On a sample basis, tested revaluations made during the year to confirm they were accurately recorded in the Fund's financial records.	We have not identified any material adjustments or findings in relation to the valuation of directly held investment properties. Based on our review, we are satisfied that the assumptions and judgements applied by management are reasonable and supported by the available evidence. **Conclusion** We are satisfied that the valuation methodology has been applied consistently and that management's judgement are reasonable.

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Significant risks (continued)

Risk identified	Audit procedures performed	Key observations
Actuarial Present Value of Promised Retirement Benefit disclosure The disclosure of the Fund's actuarial present value of promised retirement benefit is an accounting estimate and is sensitive to changes in key assumptions and hence there is a risk of material misstatement due to error. Significant	As part of our audit procedures: **Triennial valuation** • documented the approach taken by Barnet Pension Fund to appoint the actuary and agree the terms of engagement; • obtained and documented the scope of work performed by the actuary for the triennial valuation; • obtained an understanding of the management processes and evaluated the design and implementation effectiveness of the associated controls; • agreed the total number of active, deferred, pensioner and dependent members included in the valuation to the underlying pension fund records; and • selected samples of pension fund members for testing in line with GT sampling guidance. **Actuarial Present Value of Promised Retirement Benefit Disclosure** • documented our understanding of the processes established by management in relation to the actuarial present value of promised retirement benefits; • evaluated the instructions issued by management to its management expert (the actuary) for this estimate and reviewed the scope of the actuary work; • assessed the accuracy and completeness of the information provided by the fund to the actuary for the estimation of the liability; • tested the consistency of the disclosure against the actuarial report prepared by the actuary; and • undertook procedures to assess the reasonableness of the actuarial assumptions applied by reviewing the report of the consulting actuary (acting as the auditor expert) and performing any additional procedures recommended within that report.	**Triennial Valuation** No errors, exceptions or matters requiring reporting were identified as a result of our testing. We reviewed the approach adopted by management in appointing the actuary and assessed the work performed in support of the triennial valuation. We also tested a sample of member data used within the valuation and found this to be consistent with the underlying pension fund records. **Conclusion** Based on the procedures performed, we are satisfied that the triennial valuation has been prepared using appropriate member data and actuarial methodologies. We are satisfied that management's approach and the work of the actuary are reasonable, and we have no matters to report in respect of this significant audit risk. **Actuarial Present Value of Promised Retirement Benefit Disclosure** No errors or issues were identified through our testing. We assessed the actuarial assumptions applied, reviewed the work of the Fund's actuary and our auditor's actuarial expert, and tested the disclosure against the supporting actuarial report. We are satisfied that the disclosure is materially correct. **Conclusion** Based on the procedures performed, we are satisfied that the assumptions and methodologies applied by the actuary are reasonable and that the related disclosure has been prepared in accordance with the applicable accounting requirements

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Significant risks (continued)

Risk identified	Audit procedures performed	Key observations
Oracle system implementation and data migration In August 2025, the Council migrated its core financial management system from EBS to Oracle Fusion. As this is the first year of operating the new system, there is an increased risk of material misstatement at the financial statement level arising from data migration, system configuration, and process changes. Errors in the migration or implementation of Oracle Fusion could result in incomplete, inaccurate, or misstated financial information. Additionally, new systems may be subject to control deficiencies, configuration issues, and process instability during the initial period of operation. Significant	As part of our audit procedures, we have: • Reviewed the governance and controls implemented by the Council over the system migration. • Assessed management's processes to ensure data transferred from the legacy system to Oracle Fusion was complete and accurate. • Reviewed reconciliations between closing balances in Oracle EBS and opening balances in Oracle Fusion. • Tested samples of migrated data back to underlying source records. • Considered whether changes to workflows, user access rights, or reporting functionality introduced additional financial statement risks. • Evaluated whether financial reporting outputs generated from Oracle Fusion supported the preparation of accurate and compliant financial statements.	Our IT audit team concluded that appropriate governance, testing and data migration controls were established to support the implementation of Oracle Fusion. The review confirmed that financial data had been transferred from Oracle E-Business Suite to Oracle Fusion completely and accurately. Separately, our IT audit work identified two control recommendations relating to user access management across Oracle Fusion and Altair. These recommendations did not relate to the implementation of Oracle Fusion or the migration of data to the new system and therefore did not affect our conclusions in respect of this significant audit risk. Based on the procedures performed, we did not identify any material errors or omissions arising from the system implementation and data migration. Accordingly, we have no matters to report in respect of this significant audit risk.

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Other areas impacting the audit

This section provides commentary on other issues and risks which were identified during the course of the audit and were previously communicated in the Audit Plan.

Issue	Commentary
2025 triennial valuation Under Regulation 62 of the Local Government Pension Scheme Regulations 2013 the Fund must obtain an actuarial valuation of its assets and liabilities every three years. The latest valuation is as at 31 March 2025 (published in March/April 2026). The purpose of the valuation is to set employer contribution rates for the period from 1 April 2026 to 31 March 2029. The underlying demographic data will also be rolled forward and utilised in the 2025/26 estimate of the actuarial present value of promised retirement benefits disclosure calculations made under IAS 26 (on an IAS 19 basis as required by IAS 26 and 6.5. 2.9 of the CIPFA Code).	The data used by actuaries to produce IAS 19 liabilities and assets can be broadly split into two categories: 1) Individual member data used to calculate the triennial valuation liabilities and assets which the IAS 19 liabilities and assets are based on. 2) Data used to carry out the roll-forward calculation from the triennial valuation liabilities and assets to the IAS 19 liabilities and assets. This data is provided by administering authorities and the relevant employers. As auditors, we therefore needed to test the individual member data used by the actuaries in their triennial valuation calculations (Item 1) against independent records every three years. Item 2 testing is carried out annually.	Auditor view The accuracy and completeness of member data used within the 2025 triennial valuation was identified as a significant audit risk in our Audit Plan, reflecting the importance of this data in determining the Fund's actuarial liabilities and employer contribution rates. Further details of our audit approach and findings are set out in the Significant Risks section of this report (page no 14). We completed testing of a sample of 50 individual member records provided to the actuary for the purposes of the 2025 Triennial Valuation, agreeing key data fields to supporting records. No exceptions were identified from our testing. Based on the procedures performed, we are satisfied that the member data provided to the actuary and subsequently used in the preparation of the 2025 funding valuation, is materially accurate and complete for the purposes of the valuation.

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Other findings – significant matters

Issue	Commentary
Significant events or transactions that occurred during the year	On 1 April 2026, subsequent to the year-end, Kent Pension Fund became a shareholder in the Border to Coast Pensions Partnership, following the Fund's earlier decision to transition from the ACCESS pool as part of the Government's *Fit for the Future* reforms. The necessary governance and shareholder arrangements were completed after the reporting date, with membership commencing in 2026/27. The transition changes the structure through which the Fund's investments are managed but does not impact the Fund's underlying asset base, funding position or solvency. As the event occurred after 31 March 2026, there is no impact on the 2025/26 financial statements. We discussed this matter with management and are satisfied that appropriate disclosure has been included within the financial statements to inform users of this significant subsequent event.
Prior year adjustment identified	During the audit, management identified a classification issue affecting the presentation of comparative investment income. The prior year comparative disclosures have been amended to ensure consistency of presentation between reporting periods. The amendment relates solely to disclosure classification and has no impact on the Fund's reported financial position or performance. Although the matter was not material to the financial statements, management elected to update the comparative disclosures and include an explanatory note to provide clarity for users of the financial statements. We are satisfied that the revised presentation and disclosure are appropriate.

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Other findings – Information Technology

This section provides an overview of results from our assessment of the Information Technology (IT) environment and controls therein which included identifying risks from IT related business process controls relevant to the financial audit. This table below includes an overall IT General Control (ITGC) rating per IT application and details of the ratings assigned to individual control areas.

IT application	Level of assessment performed	Overall ITGC rating	ITGC control area rating: Security management	ITGC control area rating: Technology acquisition, development and maintenance	ITGC control area rating: Technology infrastructure	Assessment
Oracle Fusion	Design and implementation of controls	Amber	Amber	Green	Black	Our IT audit work identified four control recommendations relating to Oracle Fusion and Altair. These recommendations did not impact our audit approach or our assessment of the Oracle Fusion implementation and data migration. Further details are included in the Action Plan section of this report.
Altair	Design and implementation of controls	Amber	Amber	Black	Black	

As part of the 2025/26 audit, we reviewed Kent County Council's/Kent Pension Fund migration from Oracle E-Business Suite to Oracle Fusion, focusing on the design and implementation of key controls across the project. Our review included an assessment of the following:

- Project governance framework
- Testing strategy and results
- Data cleansing and data reconciliation evidence
- Management sign-offs for Go Live.

Based on the procedures performed, we concluded that there were appropriate controls in place over project governance, testing, and data migration processes. Furthermore, data migrated from Oracle EBS to Oracle Fusion was complete and accurate with an appropriate audit trail.

Assessment:

- [Red] Significant deficiencies identified in IT controls relevant to the audit of financial statements
- [Amber] Non-significant deficiencies identified in IT controls relevant to the audit of financial statements/significant deficiencies identified but with sufficient mitigation of relevant risk
- [Green] IT controls relevant to the audit of financial statements judged to be effective at the level of testing in scope
- [Black] Not in scope for assessment

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Other communication requirements

Issue	Commentary
Matters in relation to fraud	We have previously discussed the risk of fraud with the Governance and Audit Committee as part of the audit plan. We have not been made aware of any other incidents in the period, and no other issues have identified during the course of our audit procedure.
Matters in relation to related parties	We are not aware of any related parties or related party transactions which have not been disclosed
Matters in relation to laws and regulations	You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations, and we have not identified any incidences from our audit work.
Written representations	A letter of representation will be requested from the Pension fund. This will be signed alongside the final draft of the financial statements in conclusion of the audit.
Confirmation requests from third parties	We requested from management permission to send confirmation requests to their custodian and investment managers. This permission was granted, and the requests were sent and have been received as part of our final account work.
Disclosures	The disclosure misstatements identified during our audit are detailed on pages 24 to 25. Apart from these, we did not identify any material disclosure misstatement in the financial statement
Audit evidence and explanations	All information and explanations requested from management was provided.
Significant difficulties	None to report.
Other matters	None to report

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Other responsibilities

Issue	Commentary
Going concern	In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2024). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies. Practice Note 10 sets out the following key principles for the consideration of going concern for public sector entities: • the use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the entity's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist, and so a straightforward and standardised approach for the consideration of going concern will often be appropriate for public sector entities • for many public sector entities, the financial sustainability of the reporting entity and the services it provides is more likely to be of significant public interest than the application of the going concern basis of accounting. – Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. *continued overleaf*

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Other responsibilities (continued)

Issue	Commentary
Going concern	The financial reporting framework adopted by the Pension Fund meets this criteria, and so we have applied the continued provision of service approach. In doing so, we have considered and evaluated: • the nature of the Pension Fund and the environment in which it operates • the Pension Fund's financial reporting framework • the Pension Fund's system of internal control for identifying events or conditions relevant to going concern • management's going concern assessment. On the basis of this work, we have obtained sufficient appropriate audit evidence to enable us to conclude that: • a material uncertainty related to going concern has not been identified • management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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Other responsibilities (continued)

Issue	Commentary
Other information	The Pension Fund is administered by Kent County Council (the 'Council'), and the Pension Fund's accounts form part of the Council's financial statements. We are required to read any other information published alongside the Council's financial statements (including the Annual Governance Statement (AGS), the Narrative Report and Council's financial statements) and report whether it is materially consistent with the Pension Fund financial statements and our knowledge obtained during the audit. No inconsistencies have been identified. We plan to issue an unmodified opinion in this respect.
Matters on which we report by exception	We are required to give a separate consistency opinion for the Pension Fund Annual Report on whether the financial statements included therein are consistent with the audited pension fund financial statements within the administering authority's accounts. We propose to issue our 'consistency statement' on the Pension Fund's Annual Report. We are required to report if we have applied any of our statutory powers or duties as outlined in the Code. We have nothing to report on these matters.

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Adjusted misstatements

This is a summary of adjusted misstatements identified during the audit. We are required to report all non-trivial misstatements to those charged with governance.

	Pension Fund Account		Net Asset Statement £'000		
Detail	Debit £'000	Credit £'000	Debit £'000	Credit £'000	Impact on total net assets £'000
Total net assets per draft accounts					9,420,093
Management identified a difference of £4.3 million between the valuation recorded in the draft financial statements and the updated valuation subsequently received from the fund manager. Management has agreed to amend the financial statements to reflect the updated valuation. The difference arose because the fund manager's confirmation was not available when the draft accounts were initially prepared and management therefore used the best information available at that time. As such, the adjustment reflects the receipt of updated valuation information after publication of the draft financial statements rather than an error in the underlying accounting records. Dr. Investment assets £4.393m Cr. Profit and loss changes in MV of investments £4.393m		(4,393)	4,393		4,393
Total net assets per final accounts		**(4,393)**	**4,393**		**9,424,486**

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Adjusted disclosure misstatements

Disclosure misstatement	Detail	Adjusted
Note 2 – Basis of Preparation	During our review of the financial statements, we identified that the disclosure relating to accounting standards issued but not yet effective was incomplete. The Code requires entities to disclose relevant standards that have been issued but have not yet been adopted. Management has agreed to amend the note to include the required disclosures.	✓
Note 5 – Assumptions made about future and other major sources of estimation uncertainty	During our review of Note 5, we identified a small number of disclosure updates required to ensure consistency with the underlying supporting information. The sensitivity disclosure for the actuarial present value of promised retirement benefits was updated from £280m to £240m to align with the Fund's IAS 26 report. In addition, the value of private equity and infrastructure investments was updated from £852m to £856m to agree with the revised balance disclosed in Note 15. Management has agreed to update the note accordingly.	✓
Note 6 – Events after the reporting date	During our review of the post balance sheet events disclosure, we discussed with management whether recent changes to councillor eligibility for LGPS membership should be reflected within the financial statements. Management agreed that this represents a relevant event occurring after the reporting period and has updated the disclosure to provide appropriate information on the changes and their implications for the Fund. In addition, management identified that the Government's announcement on 7 September 2026 to pause the Local Government Reorganisation programme affecting Kent and Medway should be disclosed as a non-adjusting post balance sheet event and updated the disclosure accordingly. We are satisfied that the disclosure appropriately reflects the nature of both post balance sheet events and their implications for the Fund.	✓
Note 13 – Investment Income	During the audit, a classification issue was identified affecting the presentation of prior year investment income. Whilst the matter was not material and had no impact on the Fund's financial position or performance, management elected to amend the comparative disclosures to ensure consistency of presentation between reporting periods. As part of our review, we recommended that management include an explanatory footnote and appropriate prior period disclosure to meet the requirements of IAS 8 and provide transparency to users of the financial statements regarding the reclassification. We reviewed the revised disclosure and are satisfied that it is appropriate.	✓

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Adjusted disclosure misstatements (continued)

Disclosure misstatement	Detail	Adjusted
General – Minor disclosure issues	A number of minor disclosure amendments have been processed in various areas of the financial statements, which encompass the primary statements and notes to the financial statements including accounting policies. These amendments include corrections for typographical errors, casting issues, minor presentational changes. None of these amendments are individually significant enough to warrant separate disclosure	✓

Unadjusted misstatement

There are no unadjusted misstatement above our reporting threshold to report to those charged with governance.

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Action plan

We have identified four recommendations for the Pension Fund as a result of issues identified during the course of our audit. We have agreed our recommendations with management, and we will report on progress on these recommendations during the course of the 2026/27 audit. The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

Assessment	Issue and risk	Recommendations
● Green	**Outside of General Ledger adjustments** As identified in prior years and continuing in the current year, investment assets are recorded at book cost within the general ledger, while changes in market value are maintained separately through an external reconciliation spreadsheet. We would expect all investment transactions and valuation movements to be recorded and reconciled directly through the general ledger to provide a complete and auditable record. **Risk** There is an increased risk for human errors and misstatement where investment change in MV are recorded on manual spreadsheet	When some journals are recorded in a spreadsheet and not in the general ledger system, it can present a risk to the accuracy and completeness of financial reporting. We therefore, recommend formalizing the process for recording journals by ensuring that all financial transactions are captured directly in the general ledger system. This helps to maintain a complete and accurate record of all financial activities. We acknowledge that several other pension funds operate under a similar control environment; however, for best practice and to strengthen internal controls, valuation changes should be reflected directly in the ledger. Management should consider this as part of ongoing improvement to financial reporting processes. **Management response** Management acknowledges the finding and accepts the recommendation. Whilst we do not consider the current approach of performing a year-end market value reconciliation, as opposed to holding the market values directly on the ledger, to present an increased risk of error or misstatement, we agree that this would be best practice and would help to strengthen controls. Management have been considering this issue and have held discussions internally and externally with colleagues and other LGPS Funds who have been through similar processes of transitioning market values onto a ledger, to ensure that a robust plan is developed and to minimise the risk of error during any transition. The current plan involves repurposing the current book costs subjective on the ledger to reflect current market values. Work as at 2025/26 year-end brought those book costs to their final position, meaning a series of journals on the realised and unrealised gains/losses are needed to bring those book costs up to the market value position. *(Continued overleaf)*

Assessment key:

- ● [Red] High – Significant effect on financial statements
- ● [Amber] Medium – Limited effect on financial statements
- ● [Green] Low – Best practice

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Action plan (continued)

Assessment	Issue and risk	Recommendations
Green	Outside of General Ledger adjustments	Management response The historical approach has meant that the book costs on the ledger are sat at an asset class level, rather than at portfolio level. As such, management are currently in discussion around the process needed to ensure any transition is reflected correct, accurately and is free from any error and correctly portrays the market value of each investment on the ledger. Officers are aiming to implement these changes during 2026/27, meaning the market values will be represented on the ledger by the end of this financial year and available for auditors for next year's audit process.
Amber	Benefits Payable - Retention and Retrieval of Historic Pension Records During our testing of benefits payable, we identified two instances where supporting documentation relating to members' retirement and entitlement to pension benefits could not be readily located. Management advised that these members retired more than 20 years ago and that the underlying records are retained on legacy microfiche systems. Whilst alternative audit procedures were performed which provided assurance over the ongoing eligibility of the pensioners and the accuracy of pension payments, the supporting source documentation could not be retrieved. Our testing suggests this is not a widespread issue and is limited to a small number of historic records maintained on microfiche. No similar exceptions were identified in prior years, and the affected population is reducing over time as it relates only to members who retired before the Fund transitioned to electronic record keeping. *(Continued overleaf)*	The Fund should review its arrangements for the retention, indexing and retrieval of historic microfiche records to improve the accessibility of supporting documentation for long-standing pensioners and reduce the risk of records not being available when needed. Management response Management acknowledges the finding and accepts the recommendation. The instances identified relate to a small number of legacy pensioner records for members who retired prior to the Fund's transition to electronic record keeping. The Fund is satisfied that alternative evidence was available to demonstrate the ongoing validity of the pension payments and member entitlement in the cases reviewed, and that the issue does not affect the accuracy of benefits currently in payment. *(Continued overleaf)*

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Action plan (continued)

Assessment	Issue and risk	Recommendations
Amber	**Benefits Payable - Retention and Retrieval of Historic Pension Records** **Risk** The inability to readily retrieve historical pension records may reduce the efficiency of responding to audit requests and other enquiries requiring evidence of member entitlement. There is also a risk that key supporting documentation for historic pensioners may not be easily accessible when required.	**Management response** Given that the affected population is limited to long-standing pensioners and is reducing over time, management considers the residual risk to be low. However, the review was undertaken to consider strengthening the Fund's record management arrangements and further support its ability to respond promptly to future audit and information requests.
Amber	**Inappropriate Privileged Access in Oracle Fusion** The Financial Application Administrator role provides elevated privileges that may enable users to modify financial application configurations, manage user access, and amend system settings. We identified one finance user outside of the Financial Analysis and Support Team who was assigned the Financial Application Administrator role. Based on their documented job responsibilities, it was not evident that privileged administrative access was required to perform their duties. In response, we inspected the user population report user and verified that this user had not created, modified, or maintained Oracle Cloud user accounts during the review period. We understand that this user has since had their access downgraded. **Risk** The combination of access to implement changes and security administration in production is a SoD conflict that could lead to inappropriate or unauthorised changes to data and functionality within Oracle Fusion.	Kent County Council/Kent Pension Fund should review the appropriateness of the Financial Application Administrator role assignments for the identified users and remove access where it is not required for their job responsibilities. Any exceptions should be formally documented, approved by management, and subject to periodic access reviews. **Management response** (This user) has moved teams so access has been removed.

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Action plan (continued)

Assessment	Issue and risk	Recommendations
Amber	**Inappropriate Privileged Access in Altair** The CLIENT role in Altair, which provides full administrative privileges, was assigned to three individual users. We identified that one of these users, the Head of Pensions Administration, is not part of the IT organisation and also performs duties within the wider business and financial reporting processes. We enquired with this individual and understood that privileged administrative access was not required to perform their day-to-day responsibilities. We have subsequently made further enquiries with management and the pensions systems team to obtain additional information regarding the nature and extent of the access assigned in order to assess any potential audit implications. As noted in the Outstanding Matters section of this report, we are awaiting management's response at the date of this report. **Risk** The combination of administrative access to Altair and involvement in business and financial reporting processes represents a segregation-of-duties conflict that could lead to inappropriate or unauthorised changes to member and financial data within Altair.	Kent Pension Fund should review the appropriateness of CLIENT role assignments in Altair and remove administrative access where it is not required for an individual's job responsibilities. Any exceptions should be formally documented, approved by management, and subject to periodic access reviews. **Management response** Management agrees with the finding. The CLIENT role is not being utilised by the user, and management will evaluate and assign a lower-privileged role that is more appropriate for the user's responsibilities.

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Follow up of prior year recommendations

This is a summary of where we identified recommendations for the Pension Fund because of issues identified during the prior year audit, and an update on actions taken by management as a result.

Assessment	Resolved	Issue and risk previously communicated	Update on actions taken to address the issue
Low	Yes - With the Oracle Cloud implemented in FY 25/26, there is now segregation of duties between journal uploaders and journal posters. Journal uploaders can only upload journals to Oracle and will need journal posters to post them to the ledger. This has been verified in our walkthrough.	**Lack of review of Journals** In our review of management override of control, we note that journals can be posted and approved by the same person. **Risk** Without proper segregation of duties, the same individual may be responsible for both initiating and posting journal entries. This increase the risk of errors, omissions, or irregularities going undetected, as there is no independent review of the transactions.	Not applicable
Low	×	**Outside of General ledger adjustments** We identified from our investment testing work that the investment assets are recorded on book cost in the general ledger and Market value of the investment assets are recorded through an outside ledger reconciliation excel sheet. We would expect all the transactions to be routed through general ledger. **Risk** There is an increased risk for human errors and misstatement where investment change in MV are recorded on manual spreadsheet.	Please refer to the management responses relating this control recommendation page no 26, which has been carried forward to the current year.

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Follow up of prior year recommendations (continued)

This is a summary of where we identified recommendations for the Pension Fund because of issues identified during the prior year audit, and an update on actions taken by management as a result.

Assessment	Resolved	Issue and risk previously communicated	Update on actions taken to address the issue
Medium	Yes - Following the implementation of Oracle Fusion during 2025/26, Oracle E-Business Suite is no longer used by the Pension Fund. As part of the current year audit, our IT audit team reviewed user access and segregation of duties controls within Oracle Fusion and reported any findings identified through that work separately within the Action Plan section of this report. Accordingly, this recommendation is no longer applicable.	**Lack of Segregation of duties (SOD) within Oracle EBS** Our Audit Procedure identified 2 accounts BLANCE01 and PENNAL02 that had been assigned combination of the following roles. Applicable Developer – Development Access; and System Administrator – Implementation access. Furthermore, it was noted that a single change had been implemented by the account PENNAL02, however the change was noted to be a quick fix that had been communicated to management, this ensured appropriate oversight over the change made. No changes were performed by the account BLANCE01. **Risk** The combination of access to implement changes and security administration in production is a SoD conflict that could lead to inappropriate or unauthorised changes to data and functionality within Oracle EBS. This risk is further elevated owing to a lack of proactive monitoring of privileged user accounts	Not Applicable

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Independence considerations

As part of our assessment of our independence, we note the following matters:

Matter	Conclusions
Relationships with Grant Thornton	We are not aware of any relationships between Grant Thornton and the Fund that may reasonably be thought to bear on our integrity, independence and objectivity.
Relationships and Investments held by individuals	We have not identified any potential issues in respect of personal relationships with the Fund or investments in the Fund held by individuals.
Employment of Grant Thornton staff	We are not aware of any former Grant Thornton partners or staff being employed, or holding discussions in respect of employment, by the Fund as a director or in a senior management role covering financial, accounting or control related areas.
Business relationships	We have not identified any business relationships between Grant Thornton and the Fund.
Contingent fees in relation to non-audit services	No contingent fee arrangements are in place for non-audit services provided.
Gifts and hospitality	We have not identified any gifts or hospitality provided to, or received from, a member of the Fund's committees, senior management or staff (that would exceed the threshold set in the Ethical Standard).

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention and consider that an objective reasonable and informed third party would take the same view. The firm and each covered person and network firms have complied with the Financial Reporting Council's Ethical Standard and confirm that we are independent and are able to express an objective opinion on the financial statements.

Following this consideration, we can confirm that we are independent and are able to express an objective opinion on the financial statements. In making the above judgement, we have also been mindful of the quantum of non-audit fees compared to audit fees disclosed in the financial statements and estimated for the current year.

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Fees and non-audit services

The following tables overleaf set out the total fees for non-audit services that we have been engaged to provide or charged from the beginning of the financial year to date, as well as the threats to our independence and safeguards have been applied to mitigate these threats.

The non-audit services are consistent with the Fund's policy on the allotment of non-audit work to your auditor.

None of the services were provided on a contingent fee basis

For the purposes of our audit, we have made enquiries of all Grant Thornton teams within the Grant Thornton International Limited network member firms providing services to Kent Pension Fund. The table overleaf summarises all non-audit services which were identified. We have adequate safeguards in place to mitigate the perceived self-interest threat from these fees in that we add safeguard.

Our firm also provides audit and non-audit services to the Kent County Council. The fees in relation to these services and the related ethical considerations are reported in the Audit Findings Report issued to 'Those Charged With Governance' (TCWG) for that entity. Consequently, such fees are disclosed in the Council's financial statements rather than the Pension Fund's.

Audit fees	£
Scale fee for Pension Fund Audit	118,623
Auditor's expert used for the valuation of directly held properties	4,650
2025 Triennial valuation data testing	10,000
Total Audit fee (excluding VAT)	**133,273**
Non- Audit fees	**£**
IAS 19 letter to auditors of bodies outside the NAO Code	3,500
Total Audit and Non-Audit fee (excluding VAT)	**136,773**

The fees reconcile to the financial statements as follows:

Description	£
Fees as per financial statement	147,803
IAS 19 letter to auditor of bodies outside the NAO Code 24/25 as per the audit finding report (24/25)	(3,500)
Approved Fee variation 23/24 audit as per 23/24 audit findings report	(7,530)
Total (Fee as per our Audit plan)	**136,773**

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Fees and non-audit services (continued)

Audit related non-audit services	£	Threats identified	Safeguards applied
2025/26 - IAS 19 assurance letter for Ebbsfleet Development Corporation (admitted body outside the NAO Code of Audit Practice).	3,500	Self-Interest (because this is a recurring fee)	The level of this recurring fee taken on its own is not considered a significant threat to independence as the total fee for this work is £3,500 in comparison to the total proposed fee for the audit of £136,773 and in particular relative to Grant Thornton UK LLP's turnover overall. Further, it is a fixed fee and there is no contingent element to it. These factors all mitigate the perceived self-interest threat to an acceptable level.
Total	3,500		

*It is important to highlight that the IAS 19 assurance letters issued to auditors of local authorities and NHS bodies are included within the standard audit fee. However, where an IAS 19 assurance letters requested by auditors of entities outside this scope, it falls outside the scale fee and is treated as a non-audit service.

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A. Communication of audit matters with those charged with governance

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	●	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks	●	
Planned use of internal audit	●	
Confirmation of independence and objectivity	●	●
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	●	●
Significant matters in relation to going concern	●	●
Views about the qualitative aspects of the Fund's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		●
Significant findings from the audit		●
Significant matters and issue arising during the audit and written representations that have been sought		●
Significant difficulties encountered during the audit		●
Significant deficiencies in internal control identified during the audit		●
Significant matters arising in connection with related parties		●

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A. Communication of audit matters with those charged with governance (continued)

Our communication plan	Audit Plan	Audit Findings
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		●
Non-compliance with laws and regulations		●
Unadjusted misstatements and material disclosure omissions		●
Expected modifications to the auditor's report, or emphasis of matter		●

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

This document, the Audit Findings, outlines those key issues, findings and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Distribution of this Audit Findings Report

Whilst we seek to ensure our audit findings are distributed to those individuals charged with governance, as a minimum a requirement exists for our findings to be distributed to all the company directors and those members of senior management with significant operational and strategic responsibilities. We are grateful for your specific consideration and onward distribution of our report, to those charged with governance.

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Kent Pension Fund Report and Accounts

For the year ended 31 March 2026



Kent Pension Fund

Delivering an outstanding service to our customers

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If you have any comments on the annual report,

- please call 03000 416 431
- email investments.team@kent.gov.uk, or
- write to: Kent Pension Fund, Treasury and Investments, Kent County Council, Room 3.08, Sessions House, County Hall, Maidstone, Kent ME14 1XQ

Highlights

£9.4bn
Pension fund value
(FY25: £8.5bn)

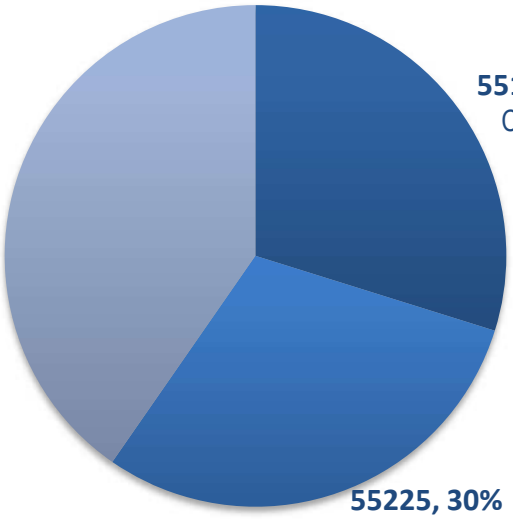
265
Active employers in the scheme
(FY25: 272)

£372m
Received in contributions
(FY25: £352m)

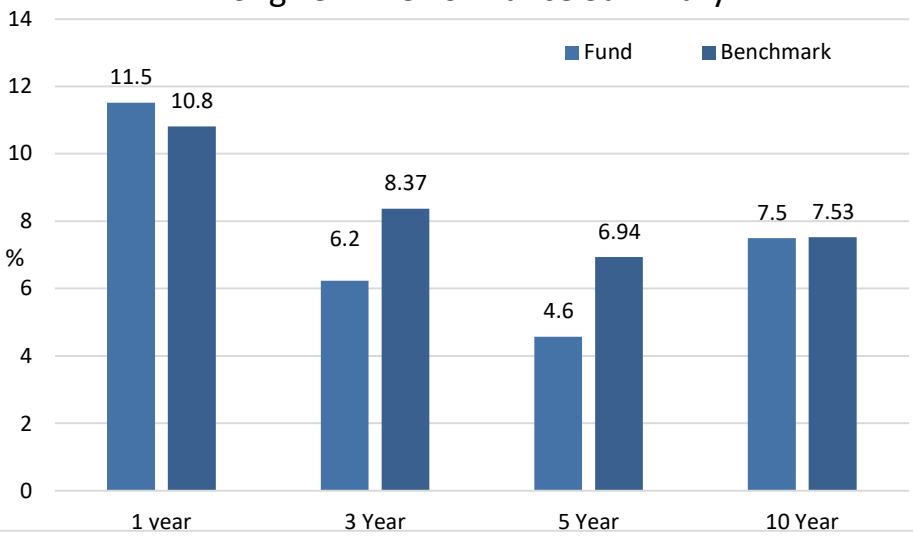
£353m
Benefits paid
(FY25: £333m)

104%
Funded (2025)

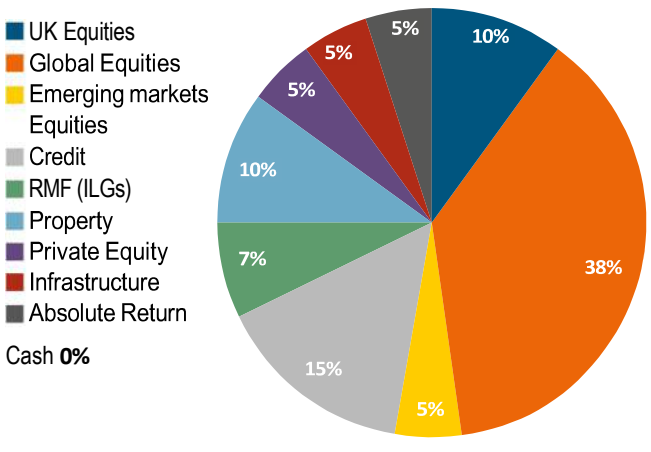
Membership



Long Term Performance Summary



Strategic asset allocation



Kent Pension Fund is a member of the ACCESS pool where we work with other local government pension funds to pool investments to significantly reduce costs, while maintaining investment performance. See below the savings made as a result of Pooling:

£5.7m
Current year savings

£30.5m
Cumulative savings

47.3%
of assets outside ACCESS pool

52.7%
of assets inside ACCESS pool

Chairman's foreword

It is my pleasure to present the Kent Pension Fund Annual Report and Accounts for 2025/26, my first year as Chair of the Pension Fund Committee.

This has been a year of significant change across the Local Government Pension Scheme (LGPS) landscape. Amid evolving regulatory requirements, investment pooling reforms and preparations for local government reorganisation, the Fund has remained firmly focused on its core purpose: delivering high-quality pension services for our members while safeguarding the long-term sustainability of the Fund.

The Fund's membership continues to grow, and we now support 185,028 members across a diverse and expanding employer base of 265 active employers. I would like to thank our officers for their dedication and professionalism in ensuring that members and employers continue to receive an excellent standard of service during a particularly demanding period.

A key milestone during the year was the completion of the Fund's triennial actuarial valuation as at 31 March 2025. The valuation assesses the Fund's ability to meet its long-term pension liabilities and informs the level of employer contributions required to ensure those obligations can be met when they fall due. Central to the valuation process is the objective of maintaining contribution rates that are stable, affordable and sustainable for participating employers while protecting the Fund's long-term financial position.

I am pleased to report that the Fund's overall funding level improved from 102% to 104% over the valuation period. While funding outcomes varied across individual employers, the valuation resulted in lower contribution rates for the majority of participating employers. This was particularly welcome at a time when many local authorities and public sector bodies continue to face significant financial challenges.

The Fund also admitted 17 new employers during the year, ensuring that employees continue to benefit from LGPS membership where services are outsourced or organisational structures change. Our Employer Governance team has continued to provide comprehensive support to employers throughout the admission and cessation process, while implementing governance improvements to strengthen efficiency and consistency. A notable achievement was the introduction of parish council pooling arrangements, designed to reduce funding volatility, improve stability of contribution rates and lessen the administrative burden for these smaller employers.

Delivering a high-quality member and employer experience remains a key priority. As detailed in the Administration Report, the Fund achieved significant progress during 2025/26 through a combination of backlog reduction, improvements in data quality, enhanced digital services and consistently high levels of customer satisfaction. These achievements have been delivered against a backdrop of increasing demand for pension services and a growing membership base.

The year was also marked by substantial developments in the LGPS investment landscape. As part of the Government's Fit for the Future reforms, expectations around investment management, pooling and governance have continued to evolve. Following a comprehensive selection and due diligence process, Kent Pension Fund joined the Border to Coast Pensions Partnership alongside six former ACCESS partner funds. With assets representing 18 LGPS funds, Border to Coast is now the largest LGPS asset owner in the country, providing the Fund with access to greater scale, enhanced investment opportunities and broader investment management capabilities. At the same time, ACCESS partner funds have worked collaboratively to ensure an orderly and efficient transition from the existing arrangements.

New pooling requirements place increased responsibilities on LGPS pools, including the management of all assets and the provision of investment advice. Fund officers continue to work closely with Border to Coast to ensure that its services meet the Fund's objectives and governance requirements. The priority for the coming year will be the planning and delivery of cost-effective asset transitions into the new pooling structure.

Despite pausing significant investment changes during the year in anticipation of the new pooling arrangements, the Fund delivered a strong investment return of 11.5%, outperforming our benchmark of 10.8% as well as the LGPS average. This performance reflects the resilience of the Fund's investment strategy and the continued oversight exercised by the Committee and officers during a period of heightened market volatility and economic uncertainty.

In parallel with implementing pooling changes, the Fund has continued to strengthen its governance framework. An independent governance review undertaken by Barnett Waddingham concluded that the Fund is well positioned to meet the Government's Fit for the Future requirements, reflecting both the progress already made and the programme of improvements planned. I was also delighted to welcome Matthew Trebilcock as the independent Chair of the Pension Board. Matthew brings extensive LGPS knowledge and experience, further strengthening the Board's role in providing effective governance, scrutiny and oversight.

The Fund has been required to respond to several important regulatory developments during the year. We welcome reforms that seek to improve fairness, transparency and access across the LGPS, although implementation has inevitably placed additional demands on resources. Alongside work to address McCloud and Pensions Dashboard requirements, the Fund has supported the Council's transition to Oracle Cloud. I am particularly grateful to our teams, who have demonstrated remarkable adaptability and commitment while continuing to deliver a first-class service throughout these significant changes.

Looking ahead, one of the most consequential developments facing the Fund is Local Government Reorganisation. The scale of change proposed across local government is unprecedented and will have important implications for governance, employer participation, administration and member services. The Fund continues to work closely with the administering authority, participating employers and wider stakeholders to assess the potential impact of these reforms. Officers are actively engaged in a cross-authority project group established to coordinate preparations, and the Fund is drawing on external expertise and lessons learned from other LGPS funds that have experienced similar structural change. A key consideration will be determining the future host authority arrangements for the Fund, with decisions guided by what is in the best long-term interests of members and employers.

As we look to the year ahead, our priorities remain clear. We will continue to support the implementation of investment pooling reforms, deliver the governance enhancements required under the evolving regulatory framework, and prepare the Fund for the challenges and opportunities presented by local government reorganisation. Throughout this period, our unwavering focus will remain on protecting the Fund's financial sustainability and delivering high-quality services for our members and employers.

Finally, I would like to thank the members of the Pension Fund Committee, the Pension Board, and officers for their support, dedication and commitment throughout the year. Their collective expertise and hard work continue to play a vital role in the successful stewardship of Kent Pension Fund on behalf of all our members, employers and stakeholders.

Councillor Sarah Emberson
Chair, Kent Pension Fund Committee
July 2026

Governance arrangements

The Pension Fund Committee

The Pension Fund Committee exercises all the powers and duties of the Kent County Council (KCC) in relation to its functions as Administering Authority for the Fund. The Committee was responsible for setting investment strategy, appointing professional fund managers and carried out regular reviews and monitoring of investments. It also monitored the administration of the Pension Scheme and determined Pension Fund policy in regard to employer admission arrangements.

There were three formal Committee meetings during the year, all were held in person with the option to join virtually. The Committee also held an informal meeting focused on strategy development during the year.

The membership of the Committee during 2025-26 is detailed below.

Committee members

Employer representatives

All elected members (employer representatives) have full voting rights at the Committee.



Sarah Emberson
Chair
Kent County Council



Alan Cecil
Vice Chair
Kent County Council



Dean Burns
Kent County Council
Joined March 2026



Terry Mole
Kent County Council



Mark Mulvihill
Kent County Council



Geoffrey Samme
Kent County Council
Joined August 2025



John Burden
Gravesham Borough Council



Paul Stepto
Kent County Council



Rob Yates
Thanet District Council

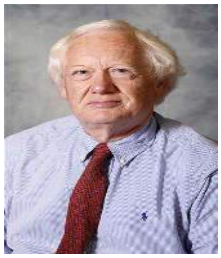


Stacey Blair
Dover District

Simon Sim
(Non-voting)
Staff representative



Harry Rayner
Kent County Council
Joined March 2026



Mark Jones
Medway Council



Adrian Kibble
Kent County Council
July 2025-March 2026



Isabella Kemp
Kent County Council
April 2025-November 2025

Paul Doust
(Non-voting)
Kent Active Retirement Representative



Albert Thorp
Kent County Council
July 2025-November 2025



Mark Ellis
Kent County Council



Bridget Porter
Kent County Council



Martin Paul
Kent County Council
Joined January 2026

Governance arrangements continued

Member Representatives

Member representatives do not have a vote but otherwise are treated equally in terms of access to papers, training and opportunity to contribute to the decision making process.

Kent Active Retirement Fellowship Representatives
Paul Doust

Union Representative
Vacancy

Kent County Council Staff Representative
Simon Sim

Local Pensions Board

The Board's role was to ensure effective and efficient governance and administration of the LGPS scheme including ensuring compliance with scheme regulations and other applicable legislation.
The membership of the Board during 2025-26 is detailed below; there were three full Board meetings during the year.

Kent County Council Officers and Others

The day-to-day operations and management of the Fund and implementing the decisions of the Pension Fund Committee are delegated to the KCC Section 151 officer and their staff. This includes the power to seek professional advice and devolve day to day handling of the Fund's investments to professional fund managers and advisers within the scope of the regulations. KCC undertakes the monitoring and accounting for the investments of and income due to the Fund.

Key Personnel

John Betts (until December 2025)	Interim Corporate Director Finance and S151 Officer
Brendan Arnold (From March 2026)	
Nick Buckland	Head of Pensions and Treasury

Board members

Matthew Trebilcock (Joined March 2026), Chairperson	Independent Member
Employer Representatives	**Representing**
Matthew Fraser Moat (Joined November 2025)	Kent County Council
Paul Chamberlain	Kent County Council
Barrie Fullbrook	Kent and Medway Fire Authority
Cllr Rachel Carnac	District/Canterbury City Council
Member Representatives	
Joe Parsons	Unison
Kelly King	Scheme Member Representative
Alison Mings	Scheme Member Representative
Grahame Ward	Scheme Member Representative

Governance 2025-26

During the year both the Pension Fund Committee and Pensions Board met three times. All Committee and Board meetings were held in person with the option to join virtually. Attendance at the Committee and Board meetings can be found below:

Pension Fund Committee

Member	Meetings attended
Sarah Emberson	3/3
Alan Cecil	3/3
Martin Paul	1/1
John Burden	3/3
Mark Mulvihill	3/3
Bridget Porter	3/3
Rob Yates	0/3
Harry Rayner	1/1
Stacey Blair	0/3
Albert Thorp	1/1
Paul Doust	3/3
Mark Jones	3/3
Geoffrey Samme	3/3
Dean Burns	NA
Simon Sim	2/3
Paul Stepto	3/3
Terry Mole	3/3
Mark Ellis	2/3
Isabella Kemp	1/1
Adrian Kibble	1/1

Pensions Board

Member	Meetings attended
Matthew Trebilcock	1/1
Paul Chamberlain	3/3
Joe Parsons	3/3
Matthew Fraser Moat	1/1
Cllr Rachel Carnac	3/3
Grahame Ward	0/3
Kelly King	1/3
Alison Mings	3/3
Barrie Fullbrook	2/3

Committee activity

Items considered by the Committee at its meetings in 2025/26 were as follows:

23/09/2026	11/12/2025	26/03/2026
Committee Work Plan/	Governance Update	Committee Work Plan/Action Log
Action Log	Update from the Pension Board	Pensions Administration
Governance Update	Pensions Administration	Investment Performance
Update from the Pension Board	Investment Performance	Member Training Update
Pensions Administration	and Strategy	Barnett Waddingham Governance update
Projects Update	Projects Update	Fund Governance
Investment Performance	Employer Governance Matters	Funding Strategy Statement
and Strategy	Risk Register Update	Projects Update
Risk Register	BCPP Pooling Update	LGR and Kent Pension Fund
Investment Consultant	Government Consultations	Asset Pooling
Employer Governance Matters	Update	
Actuarial Valuation		
Government Pensions Review-		
Pooling Future		

Board activity

Items considered by the Board at its meetings in 2025/26 were as follows:

04/09/2025	25/11/2025	31/03/2026
Pension Fund Committee update	Pension Fund Committee update	Pension Fund Committee Update
Governance update	Governance update	Pensions Administration
Training	Pensions Administration	Investments update
Pensions administration	Performance dashboard demo	Member training update
		Local Government Reorganisation
Projects Update		Barnett Waddingham Kent Pension Fund 2026 Governance
Investments Update	Investment Update	Funding Strategy Statement update
Risk Register	Projects Update	Risk Register
Employer Governance Matters	Valuation Update	Employer Governance Matters
Actuarial Valuation	Risk Register	Projects update
Pensions Review-Asset Pooling	Pooling Update	Asset Pooling

Training

As an administering authority of the Local Government Pension Scheme, Kent County Council recognizes the importance of ensuring that all officers and members charged with financial management and decision making for the pension scheme are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them.

Training is undertaken, recorded and monitored as per the Kent Pension Fund Training Strategy (updated and approved at Pension Fund Committee March 2024). The Strategy sets out the Fund's strategic training objectives and training vision. It recognizes CIPFA's 'Code of Practice on Public Sector Pensions Finance, Knowledge & Skills' and CIPFA's 'Knowledge & Skills Framework'. Kent Pension Fund's Training Strategy outlines the requirement for those on Pensions Board and Pensions Fund Committee to have sufficient skills and knowledge to undertake their role.

During 25/26 training and industry updates were given at Pension Board, Pension Fund Committee, the Fund's Employer Forum meetings and in-between meetings (via email) throughout the year. Members took personal responsibility to maintain their pensions knowledge by accessing relevant literature and information.

Other training options were made available to Members throughout the year relevant to their roles. Overall, a wide range of topics were studied by members of the Fund's Board and Committee in 2025-2026:

The main training events attended by Committee and Board members during 2025-26 were as follows.

Date and approx. duration	Topic/Provider	Attendees
July 2025 1.5hours	An Introduction to Kent Pension Fund-Nick Buckland	Alan Cecil, Albert Thorp, Isabella Kemp, Mark Ellis, Paul Chamberlain, Paul Stepto, Sarah Emberson
Sept. 2025 35 mins	Hot Topic Training-Valuation (Barnett Waddingham)	Adrian Kibble, Alan Cecil, Albert Thorp, Mark Jones, Geoffrey Samme, Mark Ellis, Mark Mulvihill, Paul Doust, Paul Stepto, Sarah Emberson, Simon Sim, Terry Mole
Oct 2025 3 days	Fundamentals Training (LGA)	Geoffrey Samme, Mark Ellis, Sarah Emberson
December 2025 3 hours	ACCESS Committee Joint Observer	Barrie Fullbrook, Kelly King
Jan 2026 2 days	LGPS Governance Conference (LGA)	Paul Doust
Feb 2026 1 day	Pension Fund Committee Away Day (Barnett Waddingham and Mercer)	Alan Cecil, Bridget Porter, Geoffrey Samme, Mark Ellis, Mark Mulvihill, Martin Paul, Paul Doust, Paul Stepto, Sarah Emberson, Simon Sim, Terry Mole.

Completion of the Pension Regulator's E-toolkit for Public Service Pensions was as follows:

Fully completed	Working Towards Completion
Alison Mings	Terry Mole
Simon Sim	Stacey Blair
Geoffrey Samme	Harry Rayner
Mark Ellis	Sarah Emberson
Barrie Fullbrook	Alan Cecil
Paul Doust	John Burden
Paul Stepto	Mark Jones
Rachel Carnac	Matthew Fraser Moat
Joe Parsons	Bridget Porter
	Dean Burns
	Martin Paul
	Rob Yates
	Matthew Trebilcock
	Grahame Ward
	Kelly King

Individual members and officers have also attended training events organized by other external organizations in areas such as finance, pensions, investments, digital systems, governance and scrutiny.

Fund managers

Click on the links below to go to the fund managers website:

Schroders
Baillie Gifford
DTZ investors
Insight Investment
Fidelity International
YFM Equity Partners
Goldman Sachs Asset Management
HarbourVest
Pyrford
Impax Asset Management
Partners Group
Ruffer
CQS
Columbia Threadneedle
Robeco
Kent County Council Treasury Management Team
Waystone
M&G Investments

Further details of the fund manager mandates can be found in the Investment Strategy Statement (ISS).

Other organisations providing services to the Kent Fund

Service	Organisation
Custodian	Northern Trust Company
Bankers	National Westminster Bank
Fund Actuary	Howden
Additional Voluntary Contributions (AVC) Providers	Utmost Life, (earlier Equitable Life Assurance) Prudential Assurance Company Standard Life Assurance
Asset Pool	ACCESS Pool
Asset Pool Operator	Waystone Group
Investment Consultants	Marsh
Auditors	Grant Thornton
Legal Advisors	Invicta Law
Performance Measurers	Northern Trust Company CEM Benchmarking PIRC Limited
Scheme Administrators	Kent County Council
Administration Software Provider	Aquila Heywood

The Kent Pension Fund maintains the following statutory statements and policies; these are reviewed and updated regularly:

- Funding Strategy Statement
- Investment Strategy Statement
- Governance Compliance Statement
- Administration Strategy
- Communications Policy Statement
- Responsible Investment Policy
- Conflicts of Interest Policy
- Contributions Review Policy
- Deferred Debt and Debt Spreading Agreement Policies
- Training Strategy
- Recording and Reporting Breaches of the Law Policy
- Data Quality Policy

These documents can be found on the Pension Fund's website: https://www.kentpensionfund.co.uk/local-government/about-us/management-of-the-fund/policies

A copy of the latest triennial valuation can be found on the Pension Fund's website: Actuarial valuation as at 31 March 2025

Risk Management

Kent County Council as the Administering Authority for the Kent Pension Fund has delegated responsibility for the management of risk to the Pension Fund Committee.

Objectives of Risk Management

The Fund's primary objective is to ensure that over the long term it will have sufficient assets to meet pension liabilities as they fall due. The Fund is exposed to operational and financial risks that might affect its ability to achieve its objectives. The risks need to be monitored and managed on a regular basis.

Risk register

The Committee and Board maintains active oversight of the Fund's key risks and maintains a risk register. Risks are classified into Governance, Investment & Funding and Administration risks. All risks are scored and assigned a target level and mitigations are put in place and for risks measured at higher than target level.
Risks scored at target level are monitored. Risk is a regular agenda item at Pension Fund Committee and Board and members receive regular training on general and specific risks.

The key risks and actions identified included the following:

Key risk	Key Actions
Governance arrangements (implementation of changes due to recent and proposed regulatory changes)	A governance review by Barnett Waddingham was commissioned. This created a checklist of actions to be completed.
Increased risk of cyber attacks	The Fund's incident response plan was updated on a regular basis to ensure up-to-date contact details. Reviews of supplier cyber security assessments were undertaken. A system access list and system owner list was maintained.
Risk of increased funding deficit (investment strategy/ management and market risks)	Investment and funding items were regular agenda items at both Committee and Board, where recommendations were reviewed and discussed.
Scheme member data missing / inaccurate (risk of lack of readiness for national dashboard go-live)	Data rectification was undertaken with various workstreams including address tracing, mortality screening and backlog clearance.
Local Government Reorganisation	Initial investigations and planning commenced. (This work will continue in 26/27).

Arrangements have been agreed for the management of these risks in order to mitigate their impact on the Fund. These are regularly reviewed, and the risk register updated for changes in the level of risks and for emerging new risks.

Governance risks

These risks arise from the regulatory environment and control environment at the strategic level of the fund. Members and officers are guided, and supported by Kent County Council's governance framework, policies and procedures. The Committee has access to appropriate expert governance, technical and investment advice to enable them to fulfil their role. Cyber security risks are carefully considered by the Fund.

Investment and Funding risks

Details of the countermeasures in place for financial, demographic, regulatory, and employer risks are included in the Fund's Funding Strategy Statement (FSS). Further details of the Fund's policy on investment risk management are disclosed in the Fund's Investment Strategy Statement (ISS). These are reviewed regularly. The Fund has a well-diversified portfolio of different asset classes and investment strategies managed by different managers.

The Fund has a high exposure to equities which have high growth potential but are also exposed to higher risk. The Fund has implemented a risk management framework to manage equity risk. The Fund also operates an asset rebalancing policy to ensure that the actual asset allocation remains within tolerance of the Fund's target strategic asset allocation.

The Fund reviews its investment strategy on a regular basis and at least every three years to ensure the strategy remains suitable given the Fund's circumstances.

Assurance over external service providers operations is provided by investment managers and custodian[s] who are required to provide annual AAF 01/06 reports and ISAE 3402 reports.

Administration risks

Administration risks are operational risks that relate to the maintenance of member data and processing of contributions and payments for members. Comprehensive policies and procedures supported by training and effective communication with staff as well as employers are put in place to mitigate these risks. Regular monitoring of KPIs and participation in benchmarking exercise is employed to monitor the risks and effectiveness of the processes.

Pooling

During 2025/26, the Fund worked closely with the Government, local authority partners, legal advisers, ACCESS, and other LGPS pooling entities to assess its future pooling arrangements and undertake extensive due diligence. Following this process, the Pension Fund Committee approved the Fund's transition to the Border to Coast Pensions Partnership (BCPP) in September 2025, with formal approval subsequently provided by Full Council in December 2025.

Throughout the year, the Fund continued to engage proactively with all relevant stakeholders to ensure that the legal, governance and operational requirements necessary to become a shareholder in BCPP were completed within the required timeframe. These requirements were successfully met, significantly reducing the uncertainty associated with the Fund's future pooling arrangements.

The principal pooling-related risk now relates to the transition of the Fund's investments and assets to BCPP. Asset transitions can involve operational, market, governance and implementation risks, as well as potential costs associated with transferring assets between investment structures and managers.

To mitigate these risks, the Fund continues to work closely with BCPP, ACCESS and investment advisers to develop and implement a comprehensive transition plan. The Fund will continue to work with the Pool and to monitor progress carefully to ensure that any transition activity is carried out in a controlled and efficient manner, minimising risk and disruption to investment performance wherever possible.

Financial Performance

Fund Trends
A summary of the Fund's key trends is shown below:

	2021/22 £'000	2022/23 £'000	2023/24 £'000	**2024/25 £'000**	**2025/26 £000**
Net Assets at 31 March (£'000)	7,702,425	7,847,952	8,142,551	**8,451,611**	**9,418,341**
No. of Contributors	52,829	53,353	55,291	**55,713**	**55,159**
Contributions (£'000)	280,431	297,692	321,214	**352,490**	**371,882**
Number of Pensioners	46,706	48,583	50,408	**52,536**	**55,225**
Benefits Paid (£'000)	257,277	270,995	303,175	**332,551**	**353,466**

Financial Summary
A brief summary over the last 5 years is shown below:

	2021/22 £'000	2022/23 £'000	2023/24 £'000	**2024/25 £'000**	**2025/26 £'000**
Value of Fund at start of year	7,513,632	7,702,425	7,847,952	**8,142,551**	**8,451,00 611**
Revenue account for year					
– Contributions	280,431	297,692	321,214	**352,490**	**371,882**
– Transfers in	10,636	17,306	12,280	**24,781**	**21,162**
– Benefits	(257,277)	(270,995)	(303,175)	(**332,551**)	**(353,466)**
– Transfers out	(28,114))	(15,184)	(15,424)	(**16,129**)	**(15,269)**
Investment and other income net of expenditure					
– Income on investments	140,759	158,696	162,454	**175,793**	**190,691**
– Interest on cash	217	2,621	3,884	**4,183**	**6,909**
– Stock lending income	58	103	87	**76**	**61**
– Miscellaneous income	0	0	10	**40**	**(15)**
– Expenses on property	(7,591)	(8,506)	(9,659)	(**7,176**)	**(8,762)**
– Management expenses	(34,840)	(32,502)	(34,788)	(**40,123**)	**(55,868)**
Net Revenue	104,279	149,231	136,884	**161,382**	**157,325**
Increase (Decrease) in market value of investments in year	84,514	149,231	157,715	**151,075**	**809,404**
Increase (Decrease) in Fund during year	188,793	145,527	294,599	**309,060**	**966,730**
Value of Fund at end of year	7,702,425	7,847,952	8,142,551	**8,451,611**	**9,418,341**

Investment assets have continued to grow in value in a supportive investment environment, taking the Fund from £8.45bn in 2024/25, to £9.42bn in 2025/26, an increase of almost £1bn.

The amount the Fund spends on benefits has increased by 6.3% over the year, which was slightly above the increase in contribution income, and by 37% since 2021/22. This is partly due to inflation as LGPS benefits are index-linked, although it is also as a result of increases in the number of pensioners, with 18% more pensioners in the Fund now compared to 2021/22.

Pension Fund Budget and Outturn
The following table compares actual Administration, Governance and Oversight and Investment Management costs against the budget for 2025-26.

	2025-26 Budget £	2025-26 Actual £
Administration Staff	**3,455,327**	**3,381,535**
IT Expenses	**1,169,853**	**1,173,458**
Data Rectification Project	**2,011,996**	**1,020,316**
Pensions Payroll Services	**270,442**	**282,971**
Printing and Mailing Costs	**200,000**	**165,165**
Administration Other	**84,886**	**145,307**
Administration Expenses	**7,192,504**	**6,168,752**
Audit Fee	121,429	147,804
Audit Fee	**121,429**	**147,804**
Actuarial fee	**471,260**	**524,329**
Direct recovery of actuary, legal fees and admin costs	**(327,397)**	**(299,165)**
Investment Consultancy	**261,967**	**188,225**
Legal Fees	**69,776**	**63,977**
Governance Consultancy	**15,000**	**10,980**
Cyber Security	**2,000**	**-**
Performance Measurement Fees	**44,998**	**32,006**
Pooling Advice	**2,000,000**	**75,000**
External Advice	**2,537,604**	**595,352**
Governance Staff	**1,081,839**	**1,156,758**
Governance Other	**108,146**	**98,190**
KCC Overheads Recharges	**607,338**	**655,906**
Governance and Oversight Expenses	**1,797,323**	**1,912,393**
Pooling Costs	**302,492**	**179,191**
Transaction costs	**2,707,788**	**13,300,932**
Fund manager fees – fixed income	**5,011,787**	**4,967,458**
Fund manager fees – equities	**11,474,949**	**11,436,896**
Fund manager fees – Private equity/infrastructure	**9,303,637**	**9,525,101**
Fund manager fees – risk management framework	**1,254,231**	**1,027,833**
Fund manager fees – property	**2,796,152**	**2,012,522**
Fund manager fees – absolute return	**1,304,966**	**2,185,234**
Fund manager fees – emerging markets	**-**	**2,365,352**
Custody	**47,358**	**54,887**
Investment management costs	**34,203,360**	**47,055,408**
Total	**45,852,220**	**55,859,373**

Commentary on Budget Outturn

Key reasons for variances in Administration costs and external advice were:

- Administration staffing costs had an underspend due to the budget being set anticipating vacancies being filled. However, where recruitment campaigns have been completed and vacancies filled, some have come from internal candidates which leave backfill vacancies outstanding.
- The data rectification project is a multi-year exercise and is progressing, but the invoicing is dependent on progress being made. Progress has been impacted by issues relating to system access and ensuring accurate data has been received from employers. It is expected that, to fulfil the contract, activity will increase in 2026/27 and therefore anticipate an increase in costs next year.
- Actuarial fees are dependent on activity undertaken throughout the year. For 2025/26 budget the actual spend on actuarial support could not be accurately estimated in advance and added a level of complexity when setting the budget. The estimate cost of the valuation was c.£55,000 less than the actual spend.
- For investment consultancy, the budget was set in line with previous activity. However, this year Fund activity has been more focused on pooling. This has impacted the ability to commission budgeted work on Investment Strategy, Responsible Investment and Risk Management, which has seen a reduction in costs.
- On pooling, due to the Government consultation, and the need to move swiftly, an estimate of the support needed was made in the budget. However, actual costs associated with pooling advice incurred are significantly lower than anticipated as the Fund has worked collaboratively with other funds when seeking advice, which helped us manage the costs.

Key reasons for variances in Governance and Oversight costs were:

- For governance staffing, costs appear to be higher than the estimate, however this figure includes a reorganisation of budget responsibilities and includes some costs that were originally accounted for in Administration section.
- The recharges costs were higher as it includes costs for treasury services for the Fund. These costs were higher than budgeted as the cost is dependent on the cash balances of the Pension Fund account which was higher than anticipated.

Key reasons for variances in investment management costs were:

- Fund manager fees have increased by roughly £2.5m when compared to the budget. This is as a result of forecasts being set on estimate valuations set 12 months in advance. In this case, those valuations had grown at a quicker pace than forecast, especially in the equities asset class which is very volatile. As fees are paid on the value of asset under management, this has led to an increase in fees.
- Transaction costs are always impossible to accurately estimate as they relate to individual transactions and transitions undertaken by investment managers in response to evolving market conditions, and these cannot be known when setting the budget, hence an average is estimated. The higher level of costs in 2025-26 relate to a number of property purchases that took place throughout the year to bring the property allocation in line with the strategic target. These purchases had been identified by the Fund's property manager after the budget had initially been set, hence the large variance seen.

Investments

The Pension Fund Committee is responsible for setting investment strategy, carrying out regular reviews, and monitoring the Fund's investments.

The Fund must invest any fund money that is not needed immediately for the payment of benefits and the Fund has established an Investment Strategy Statement (the "ISS") to document the principles, beliefs and policies by which investment assets are managed.

Additionally, the Funding Strategy Statement (FSS) aims to establish a clear and transparent strategy that will identify how participating employers' pension liabilities are best met going forward. To determine the value of accrued liabilities and derive future contribution requirements it is necessary to discount the Fund's future cash flows to present day values. The discount rate used in the actuarial valuation is derived by considering the expected return from the Fund's long-term investment strategy. This ensures consistency between the funding strategy and investment strategy.

Accordingly, there is a fundamental link between the FSS and the ISS relating to the discount rate that underlies the funding strategy as set out in the FSS, and the expected rate of investment return which is expected to be achieved by the long-term investment strategy as set out in the ISS.

During 2025/26, the Fund's investment activity was largely focused on supporting its transfer to the Border to Coast Pensions Partnership (BCPP). Significant work was undertaken with both BCPP and ACCESS to ensure the legal, governance and operational requirements were met to enable the Fund to become a shareholder in BCPP within the required timeframe. As a result, further asset transitions were paused during the year while BCPP continued to develop its investment capabilities. The Fund is now working with BCPP to develop a transition plan for future pooling activity.

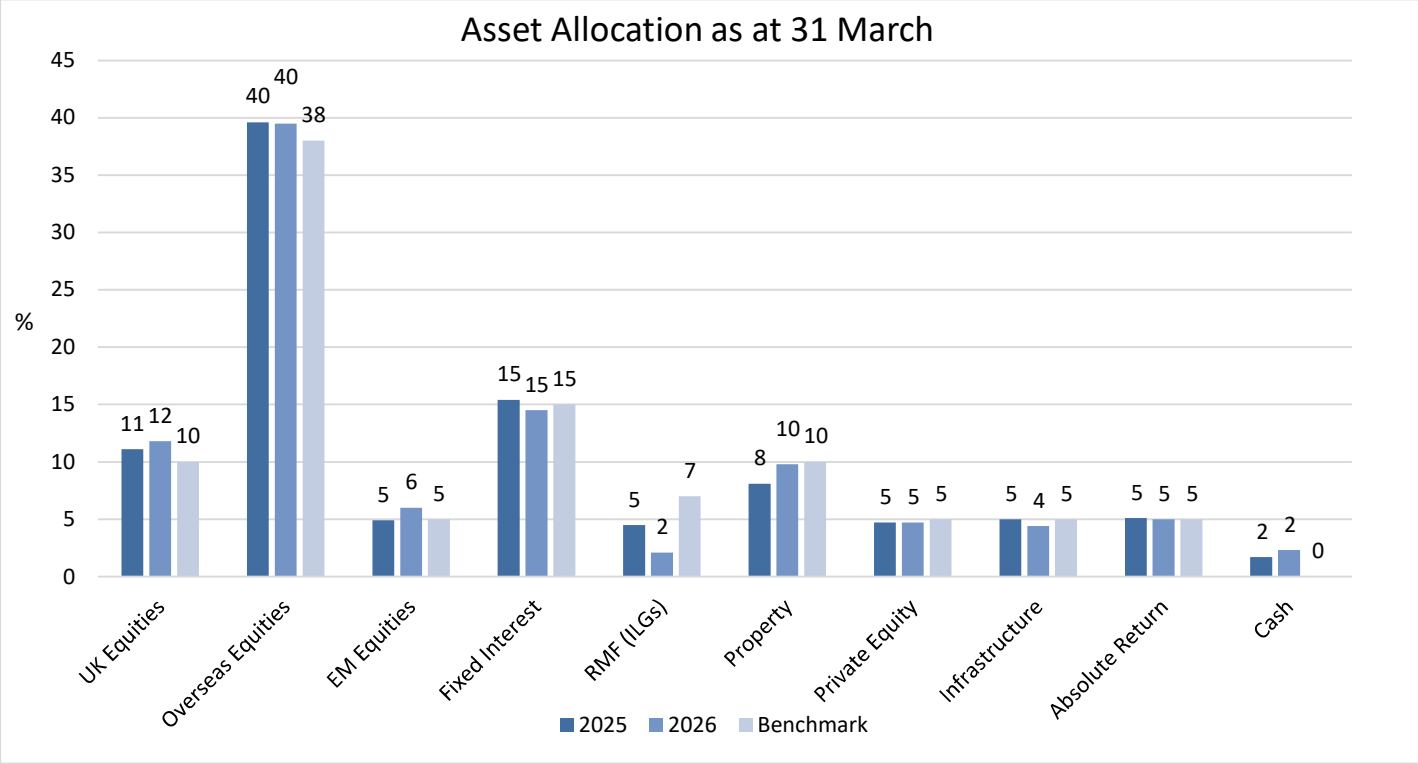
The Fund will also undertake a review of its Investment Strategy during 2026/27 to assess the continued suitability of its strategic asset allocation and investment arrangements, following the 2025 triennial valuation.

Despite the pause in wider transition activity, several acquisitions were completed within the Fund's direct property portfolio. These purchases were made following a period in which the property allocation had fallen to approximately 7% of Fund assets, compared with the strategic target of 10%. Officers worked closely with the Fund's property manager, DTZ, and BCPP to confirm that it remained appropriate to proceed with these investments. To help fund the acquisitions and maintain strategic asset allocation targets, the Fund undertook a proactive rebalancing of its equity portfolio, which had become slightly overweight, while also restoring cash balances to an appropriate level.

The Fund's strategic asset for 2025/26 is shown below::

	SAA	Benchmark
Total Equities	53.0%	
UK	10%	FTSE All Share (GBP)
Global	38.0% (protected)	Global Equity Composite
Emerging Markets	5.0%	MSCI Emerging Markets ND
Total Fixed Income	**22.0%**	
Credit	15.0%	Fixed Income Composite
Index Linked Gilts	7.0%	ILG Portfolio Return
Cash	0.0%	SONIA
Total Alternatives	**25.0%**	
DGFs	5.0%	RPI +5%
Property	10.0%	MSCI UK All Property Index
Infrastructure	5.0%	SONIA
Private Equity	5.0%	SONIA
Total	**100.0%**	

Portfolio Distribution
The graph below shows the allocation of the Fund's investments compared both against the strategic allocation and the prior year allocation.



Asset Pooling

The Kent Pension Fund remained a member of the ACCESS Pool throughout 2025/26. During the year, the Committee considered its long-term pooling arrangements following the Government's LGPS reforms and, in September 2025, agreed to become a shareholder in the Border to Coast Pensions Partnership (BCPP). This decision was subsequently approved by Kent County Council in December 2025.

Following these decisions, significant work was undertaken by the Fund, ACCESS and BCPP to ensure all legal, governance and operational requirements were met to facilitate a smooth transition. At the same time, the Fund had been working closely with ACCESS and the other ACCESS authorities to agree the terms of an amended and restated IAA, incorporating a new governance structure, in order to support the orderly wind-down of the ACCESS Pool. Following this work and in line with Government deadlines, the Fund became a shareholder in BCPP on 1 April 2026.

The Fund remains committed to achieving value for money through pooling. Following the introduction of the Pensions Act 2026, pooling is now a statutory requirement for LGPS funds. As a result, the Fund is working closely with BCPP to develop a transition plan for the migration of its assets into pooled investment solutions, while continuing to recognise the practical challenges associated with pooling directly held property assets.

As at 31 March 2026, the Kent Pension Fund had investments of £4.96 billion in five ACCESS sub-funds, representing almost 53% of assets.

The Kent Pension Fund has achieved £30.5m of savings in pooling initiatives of which £9.9m are in relation to assets awaiting pooling.

Investment management arrangements and asset allocation

All investment management activities are carried out externally via appointed asset managers and the ACCESS pool for 2025/26. There are no internally managed investment assets, other than cash. The Fund has a policy of appointing specialist managers who are expert in managing specific investment strategies which should help the Fund deliver over different investment cycles.

Northern Trust Ltd are the Fund's custodians for the safekeeping and settlement of trades relating to the Fund's direct investments managed by external investment managers.

The Fund recognises that diversification is key to managing portfolio risks. Assets are invested across different asset classes and distinct investment management styles are combined with the aim of securing sufficient and stable returns and using risk efficiently.

In assessing suitability, the Fund evaluates the expected returns and expected volatility of particular asset classes together with the correlations between asset classes and the diversification benefits available from combining different asset classes.

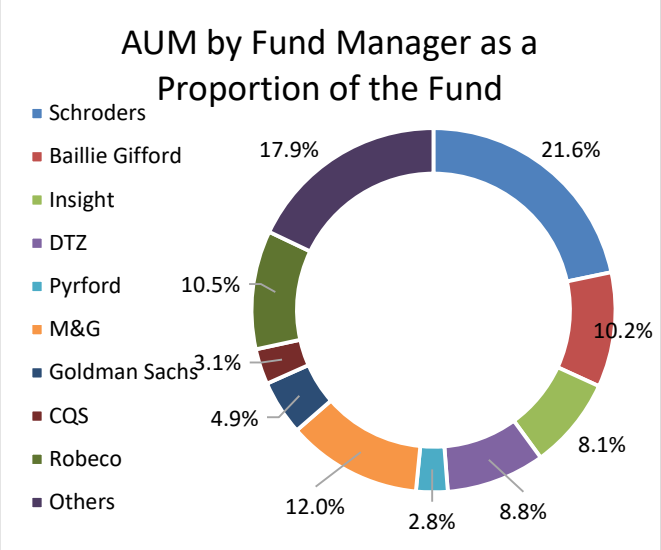
The Fund makes use of illiquid investments (such as infrastructure, private equity and property), recognising that investors are rewarded over the long term for bearing liquidity risk. In setting and reviewing its strategic asset allocation, the Fund further considers the legality of all investments for compliance with the LGPS Regulations.

Value of funds under management by fund manager

The following graph shows the assets under management (AUM) and the proportion of the Fund under management by fund manager as at 31 March 2026:

Fund Managers	AUM (£m)
Schroders	2,039
Baillie Gifford	962
Insight	767
DTZ	825
Pyrford	265
M&G	1,128
Goldman Sachs	461
CQS	296
Robeco	992
Others	1,689
Total	**9,424**

AUM by fund manager as a proportion of the Fund



Investment performance 2025-26

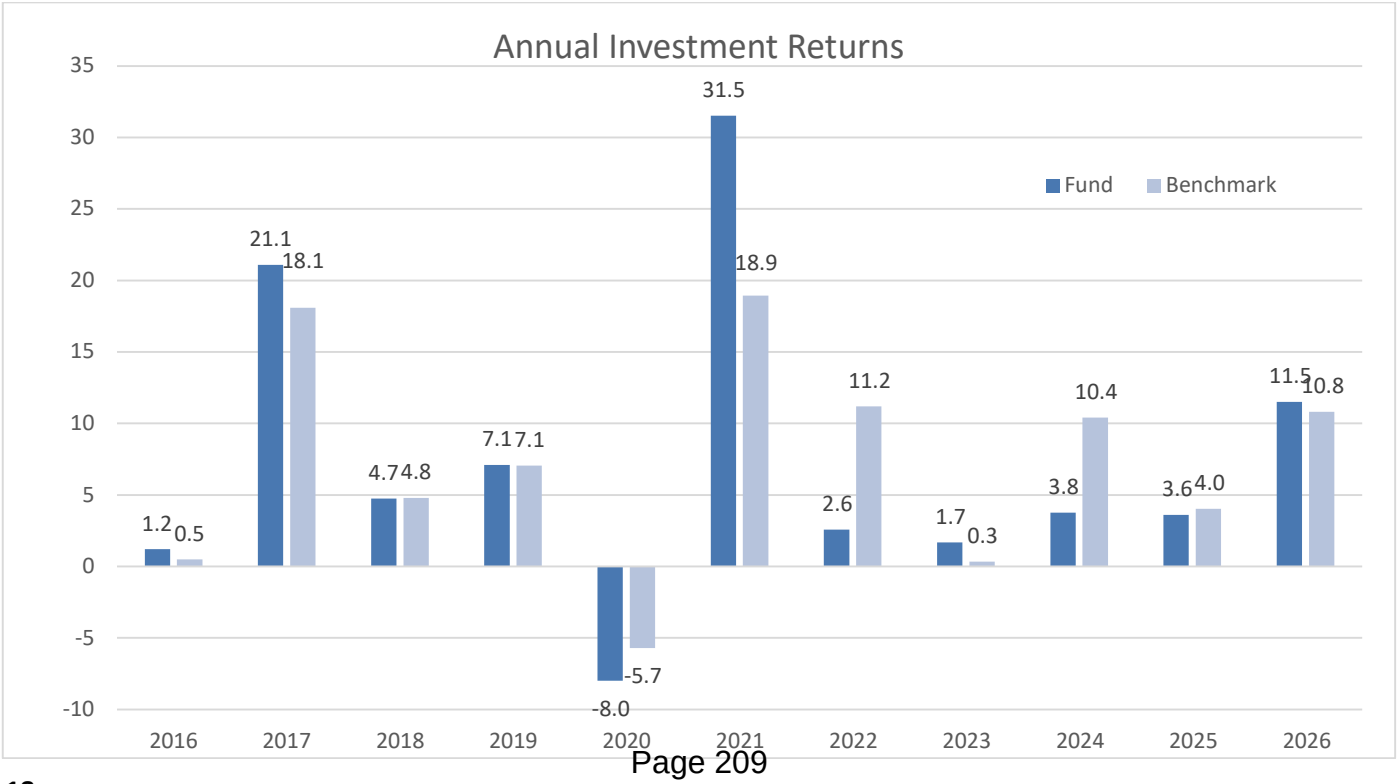
The performance of the Fund's investment managers is reported on a quarterly basis to the Pension Fund Committee.

The ACCESS pool and appointed asset managers submit reports and valuations for this purpose and independent performance measurement is provided by the Fund's custodian, Northern Trust. As part of the oversight arrangements for external asset managers, Committee members and officers meet with the Fund's appointed asset managers on a regular basis as part of a formal programme.

Total fund performance

The graph below shows the relative performance of the investments over the last 10 years. The overall return on the investments for 2025-26 was 11.5% compared to the Fund's strategic benchmark of 10.8%.

For comparison the PIRC Local Authority Universe average annual fund return for 2025-26 was 9.6%.

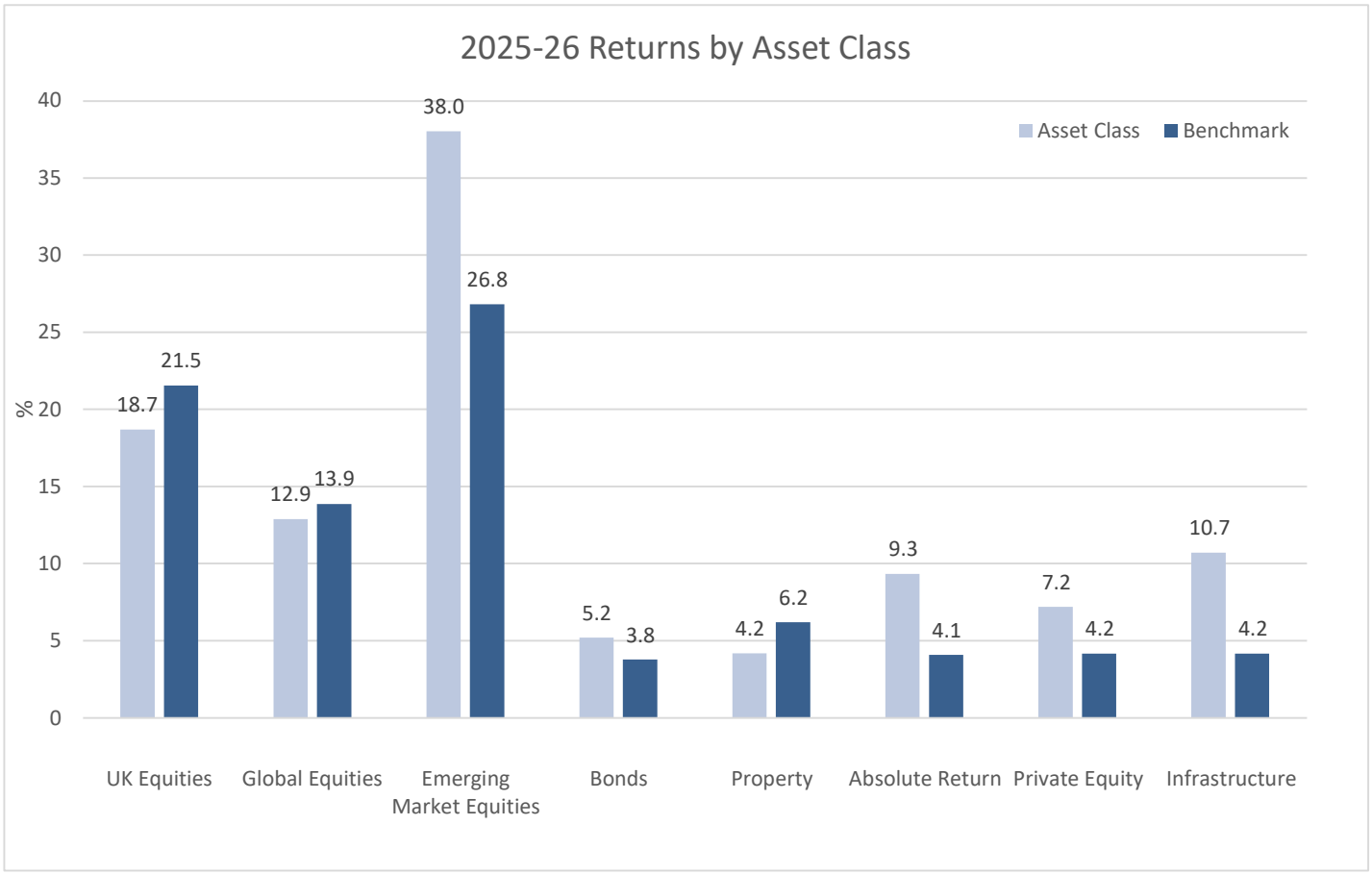


The graph below shows the long term performance of the Fund's investments compared against its Strategic benchmark.



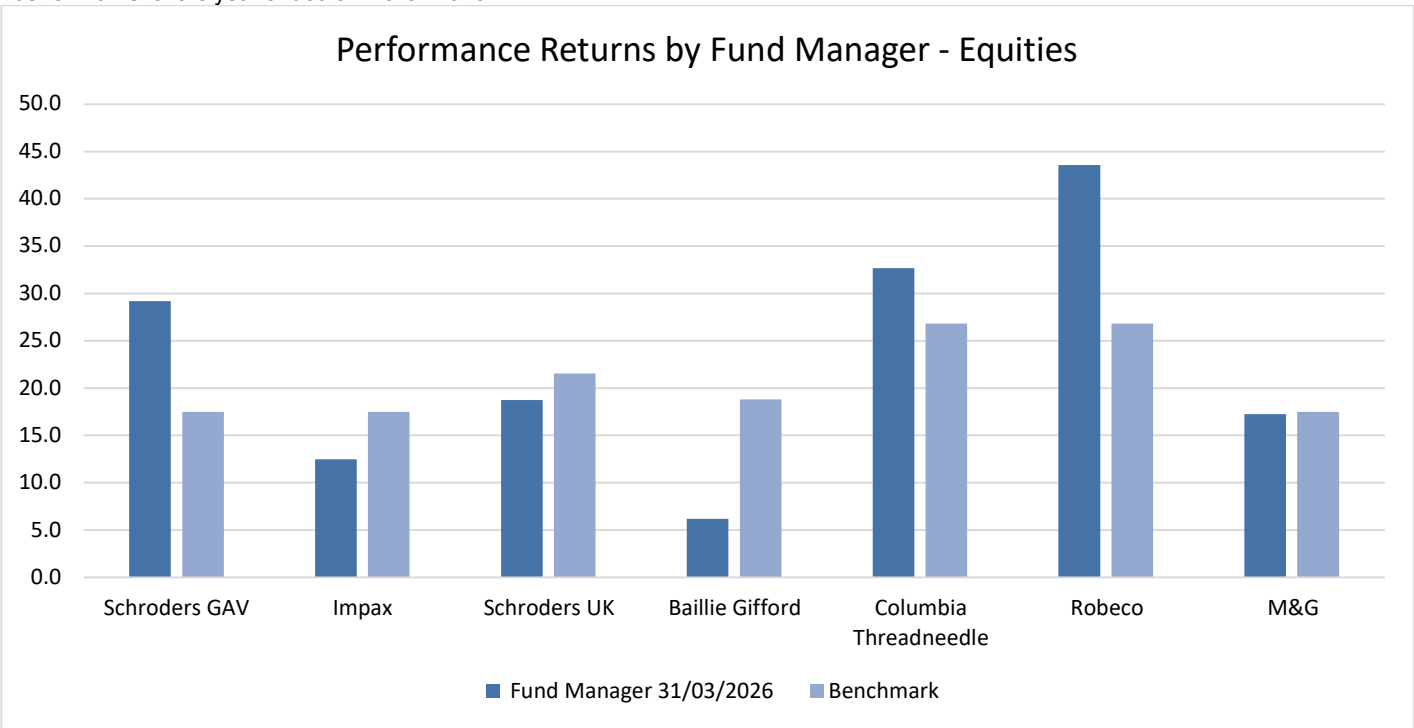
Returns by Asset Class

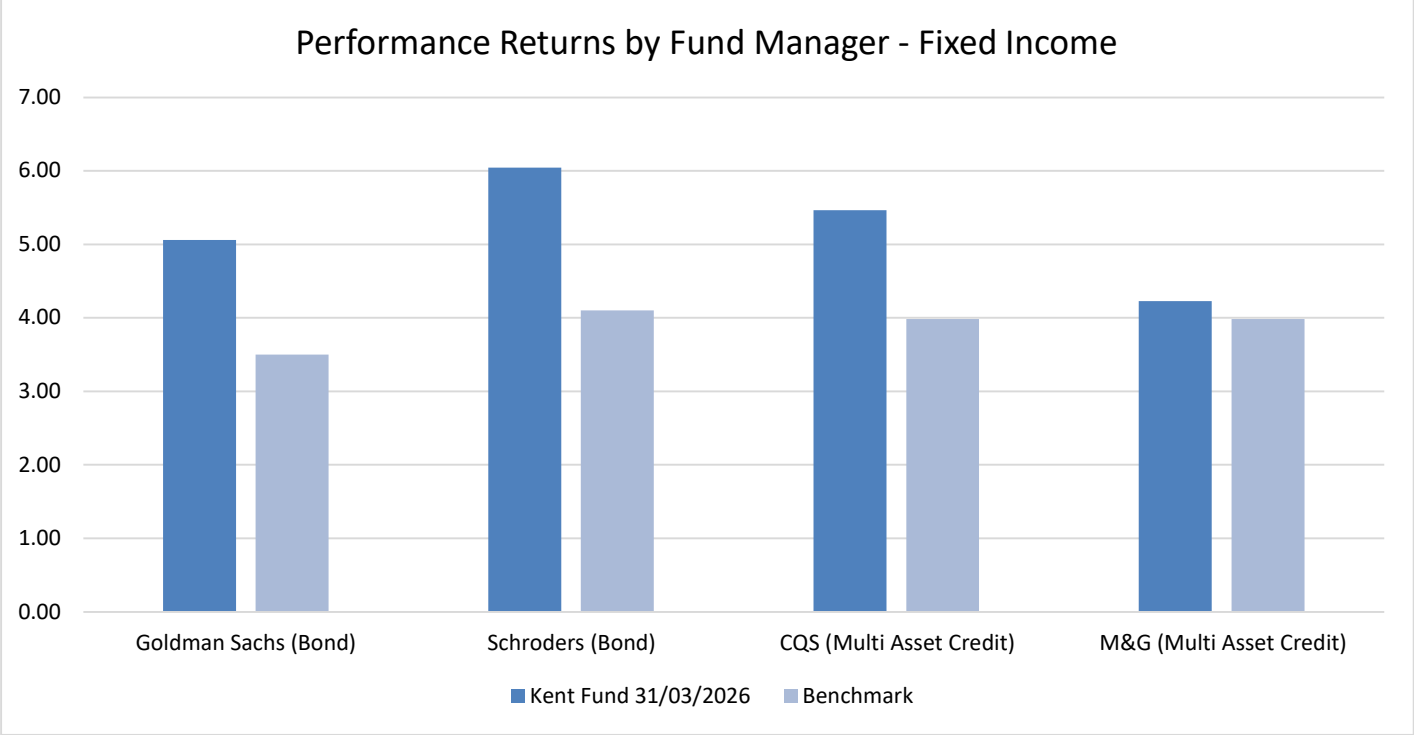
The analysis set out below shows the returns by asset class for 2025-26:



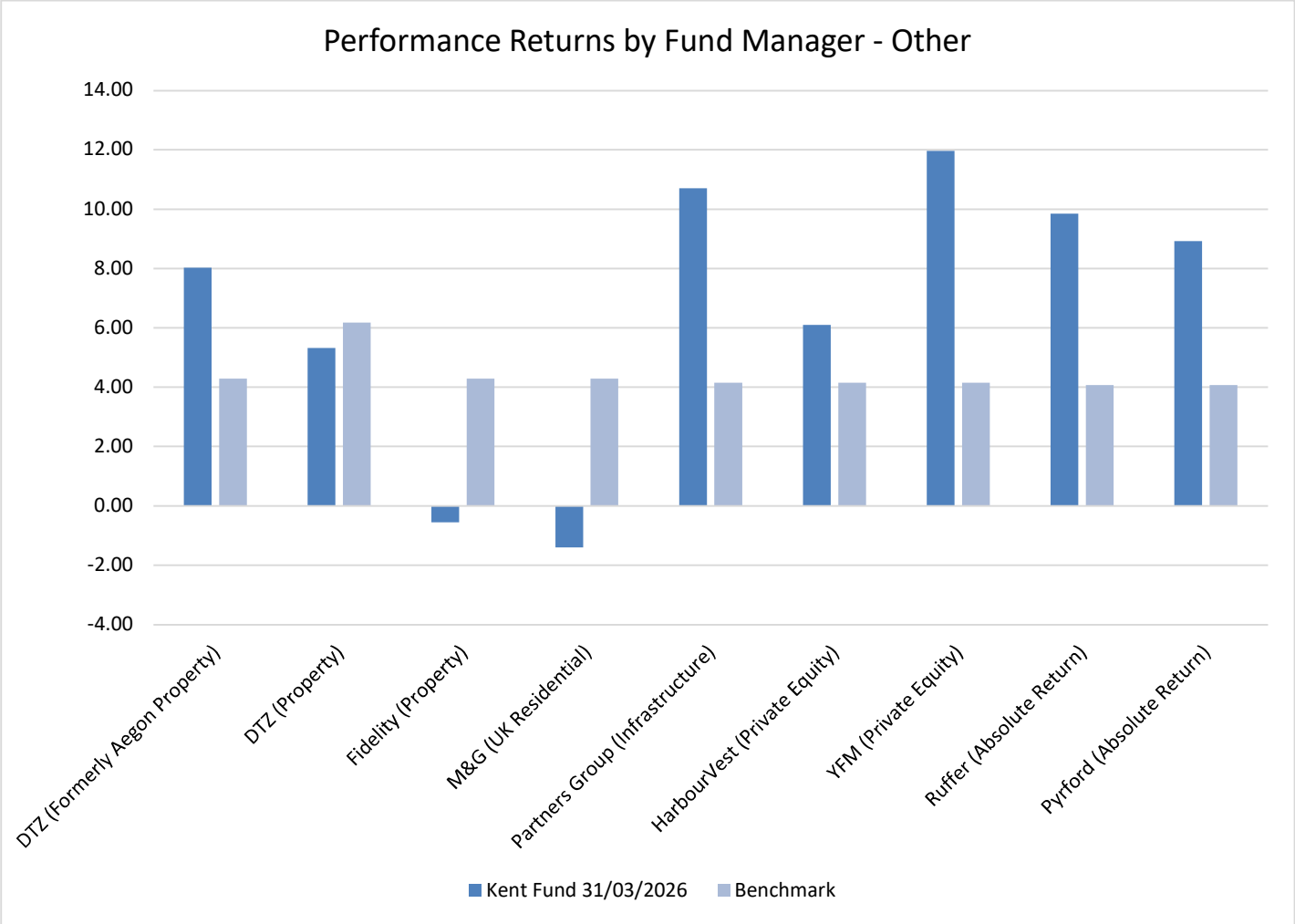
Performance by Fund Manager

The following graphs show the performance of the Equity and other Mandates compared to their benchmarks for the year ended 31 March 2026.





Value of funds under management by manager continued



Responsible Investment (RI)

The Kent Pension Fund (the Fund) is committed to being a responsible investor and a good long-term steward of the assets in which it invests.

The Responsible Investment Policy sets out the Fund's approach to responsible investment including where responsibility lies; how environmental, social and governance (ESG) considerations are embedded in the Fund's investment processes; and how the Fund stewards its investment assets in the interests of its beneficiaries. The Fund's RI policy can be viewed here.

As an asset owner, the Fund implements its investment strategy via external asset managers (including the ACCESS pool) and service providers, who play a critical role in delivering and discharging the Fund's Responsible Investment Policy.

During 2025/26, the Fund continued to pursue its responsible investment objectives through the ACCESS Pool while also preparing for its future transition to Border to Coast. The Fund worked collaboratively with partner authorities to support the development of responsible investment practices and stewardship activities.

The Fund recognises that collaboration with other institutional investors can enhance its ability to influence corporate behaviour and achieve positive long-term outcomes. The Fund is a signatory to the Principles for Responsible Investment (PRI) and supports the six PRI principles. The Fund is also a member of the Local Authority Pension Fund Forum (LAPFF), Pensions for Purpose (PfP) and the Institutional Investors Group on Climate Change (IIGCC).

Net Zero Progress

The Fund remains committed to achieving net zero greenhouse gas emissions from its listed equity investments by 2050.

To support this ambition, the Fund has adopted interim targets of a 43% reduction in emissions by 2030 and a 69% reduction by 2040, consistent with a pathway aligned to limiting global warming to 1.5°C. The Fund has also established a target to allocate 15% of assets to sustainable investment opportunities by 2030.

Responsibility for implementing future investment decisions has now been transferred to the Pool. As such, the Fund intends to work closely with its new pooling partner, Border to Coast, to keep the net zero commitment and approach to climate change under review.

Voting

The Fund believes that active ownership helps the realisation of long-term shareholder value. The Fund has a duty to exercise its stewardship rights and active ownership responsibilities (voting and engagement) effectively by using its influence as a long-term investor to encourage responsible investment behaviour

The Fund delegates voting decisions to its investment managers and expects them to fully participate in voting at company annual general meetings and to carry out all voting decisions on behalf of the Fund, in line with our RI policy.

As a member of LAPFF. the Fund utilises voting alerts to guide its stewardship activities and engage with its external asset managers on specific stewardship issues.

Voting activity is reported to the Pension Fund Committee on a quarterly basis.

Voting activity is reported to the Pension Fund Committee on a quarterly basis.

Voting by Managers 2025/26

	Number of Resolutions			
	For	Against	Abstain	Total
Baillie Gifford	2,548	99	38	2,685
Schroders UK Equity	952	70	4	1,026
Schroders GAV	7,566	1,658	99	9,323
M&G Global Dividend	497	108	22	627
Ruffer	1,634	383	20	2,037
Robeco Emerging Market	521	84	4	609
Robeco Global Stars	275	19	0	294
Columbia Threadneedle	805	195	26	1,026
Impax	1,772	88	37	1,897
Pyrford	896	47	0	943
Total	**17,466**	**2,751**	**250**	**20,467**

Key Activity 2025/26

During 2025/26, the Fund's responsible investment work took place during a period of significant change. After the local elections in May 2025, a number of new members joined the Pension Fund Committee which provided the opportunity to revisit and better understand members' views on responsible investment. This coincided with the completion of the triennial valuation as at 31 March 2025 and the subsequent review of the Investment Strategy Statement, where members' responsible investment priorities are an important consideration.

At the same time, preparations continued for the Fund's transition to Border to Coast Pensions Partnership (BCPP), making it important that the Fund's responsible investment priorities were clearly

understood and communicated to the Pool, given their requirement to implement these policies.

Against this backdrop, the Fund progressed a number of responsible investment initiatives during the year, including:

- A survey of Pension Fund Committee members' responsible investment beliefs, undertaken with support from the Fund's investment consultant, to identify priority areas for future training and policy development.
- A dedicated training session from Border to Coast covering responsible investment and local investment opportunities.
- Initial engagement with Border to Coast to support the Fund's transition to the new pooling arrangement and understand future stewardship and responsible investment arrangements.
- Review of the Fund's latest Principles for Responsible Investment (PRI) assessment results.
- Consideration of the implications of the Government's Mansion House reforms and Fit for the Future consultation on the Fund's future responsible investment arrangements.

Mansion House Speech and Fit for Future Government Consultation

During the year, the Government's LGPS reform programme, including the Mansion House agenda and the *Fit for the Future* consultation, accelerated the evolution of asset pooling arrangements across the Local Government Pension Scheme. The Government confirmed its intention to strengthen pooling through the transfer of all LGPS assets into FCA-regulated investment management pools, accompanied by enhanced governance and delegation requirements.

Following the Government's assessment of initial pooling options, ACCESS was not selected as one of the preferred pooling arrangements, and as such, existing partner funds were required to identify an alternative FCA-regulated investment pool meeting the Government's future pooling requirements.

After considering the available options and undertaking extensive due diligence, the Kent Pension Fund agreed to become a member of the Border to Coast Pensions Partnership along with six other previous ACCESS Funds. This decision represents a significant strategic milestone in the Fund's pooling journey and will support compliance with future LGPS pooling requirements.
The transition to Border to Coast is expected to provide the Fund with access to a larger and more integrated investment platform, enhanced internal investment capabilities and broader access to private market investment opportunities. The scale of Border to Coast is anticipated to support the delivery of investment efficiencies, cost savings and improved long-term value for members and employers.

Throughout the transition process, the Fund's priority remains the protection of members' benefits and the delivery of its long-term investment objectives. The Pension Fund Committee, supported by officers and advisers, will continue to oversee the migration of assets and governance arrangements to ensure a smooth transition while maintaining appropriate levels of stewardship, responsible investment oversight and risk management.

Impact on Responsible Investment

The transition to Border to Coast provides an opportunity to enhance the Fund's responsible investment capabilities through access to a larger internal responsible investment and stewardship function, specialist ESG resources and established climate risk expertise.

While responsibility for setting the Fund's responsible investment priorities rests with the Pension Fund Committee, the implementation of many of these activities will increasingly be carried out by Border to Coast. The Fund will continue to work in partnership with Border to Coast and other partner funds to steer the development of the Pool's responsible investment framework, including its Responsible Investment Policy. This policy is developed in partnership with the other partner funds and is reviewed once every three years to ensure it continues to meet our needs. A link to Border to Coast's current Responsible Investment Policy is provided at: Responsible Investment Policy 2026 - Border To Coast.

In any pooled arrangement the Fund accepts that a common approach is required between all of the partner authorities and that individual preferences cannot always be accommodated in pooled policies or their implementation. However, the Fund will continue to work proactively with Border to Coast to ensure the Fund's own views are taken into account these policies continue to develop.

The Fund will continue to pursue its responsible investment objectives through the Pool, including:

- Integration of ESG considerations into investment decision-making.
- Active stewardship through voting and engagement.
- Monitoring progress against the Fund's net zero commitment.
- Identification of sustainable investment opportunities.
- Collaboration with industry initiatives and investor groups.

The Fund remains committed to delivering strong long-term financial outcomes for members while acting as a responsible and engaged long-term investor.

Administration

Overview

The Kent Pension Fund (the "Fund") is part of the Local Government Pension Scheme (LGPS) and is administered by Kent County Council (the "Administering Authority") in accordance with the Local Government Pension Scheme Regulations.

The administration service is responsible for the delivery of pension services to members, employers and other stakeholders. This includes maintaining member records, processing benefits, collecting and reconciling contributions, and ensuring compliance with statutory and regulatory requirements.

The administration service use Altair, a Heywood's system, to provide all aspects of pensions administration including pensioner payroll and employer web access. Members can access their pension information online via the Member Portal. Information for members and employers can be found on the Kent Pension Fund website.

The administration service is split into three main teams supported by finance, projects and governance colleagues:

- An Operations Team responsible for administering all casework and handling all member queries.
- An Engagement and Systems Team responsible for supporting and training scheme employers to ensure they have the knowledge and tools necessary to provide timely and accurate information relating to scheme members. The team works to improve data quality across employer submissions, including driving improvements in data quality scores. The team also delivers informative webinars to scheme members, covering various aspects of the scheme. Maintenance of the Pension Fund website and member self-service portal falls under the remit of this team, including the implementation of new technological enhancements.
- A Technical and Training Development Team responsible for providing advice and information to colleagues and scheme members in respect of all technical issues and legislative changes. The team also manage the learning and professional development of the workforce, through arranging and delivering training plans.

Pensioner Payroll is dealt with by the Kent County Council Payroll Operations Team.

Assurance over the effective and efficient operation of the administration is provided by Internal Audit, who carry out assurance and consultancy in accordance with a risk-based programme. An internal audit opinion concludes on the overall adequacy and effectiveness of the administration service framework of governance, risk management and control.

During the year to 31 March 2026, the Fund continued to focus on delivering an efficient, accurate and member-focused service, while managing ongoing regulatory change and increasing data and reporting requirements.

Administration Strategy.

The Fund operates in accordance with its published Administration Strategy, which sets out:

- The roles and responsibilities of the Fund and participating employers
- Service standards and performance targets
- Data and contribution requirements
- Processes for ensuring regulatory compliance

The Strategy supports effective partnership working with employers and aims to improve the quality and timeliness of data submitted to the Fund.

Benchmarking

As part of the Fund's objective to be 'best in class' and to be able to track the service transformation journey, the Fund partners with CEM to undertake independent, peer-relevant benchmarking to demonstrate value, drive better decisions, and stay connected to best practice.

CEM works with over 400 funds worldwide, and provide clients with objective, actionable benchmarking insight into how to maximise value for money in pension administration.

The report provided compares the Funds pension administration costs and member service with a peer group of other pensions schemes.

The Fund's pension administration costs of £31.43 per member were £6.00 below the adjusted peer average of £37.43.
The total member score was 57 out of 100, this was below the peer median of 63.

The Fund scored well for the secure area of the website with more active and deferred members registering and actively using the secure member area to view their annual statements. The Fund also scored well for implementing a new telephony system, which reduced the average wait time for reaching a live agent and call abandonment rate has improved, decreasing from 37.7% to 13.7%.

In addition, the Fund scored well for meeting members in groups, with increased attendance at online member webinars.

The Fund scored lower than peers in the following areas:

- Feedback from members
- Pension set up
- Secure website users - pensioners

Overall, the Fund was positioned as basic member service with low cost.

The Funds Service Improvement Plan addresses the issues above by continuing to promote the new and improved member self-service portal and regularly encourages feedback from both members and employers via surveys and focus groups.

Service Delivery

Core Activities

The administration service delivered the following key activities during the year:

- Processing retirements, transfers, deaths and refunds
- Maintenance and updating of member records
- Calculation and payment of pension benefits
- Issuing Annual Benefit Statements to active and deferred members
- Responding to member and employer enquiries

Performance

The Fund monitors performance against a suite of Key Performance Indicators (KPIs). Performance is reviewed regularly by the Pension Fund Committee and Local Pension Board.

During 2025/26, the administration service delivered strong overall performance across most areas, with continued focus on improving timeliness in complex casework.

Key Performance Indicators

Table A - Total number of casework

Casework KPI	Total number of cases open as at 31 March (starting position)	Total number of new cases created in the year (1 April to 30 March)	Total number of cases completed in the year	Total % of cases completed in the year	Total number of cases completed in previous year	Total % of cases completed in previous year
Deaths recorded of active, deferred, pensioner and dependent members	133	1,526	1,604	96.7	1,584	97.6
New dependent member benefits	74	663	682	92.5	580	97.2
Payment of retirement benefits	560	3,589	3,677	88.6	2,829	91.6
Deferred benefits	5,675	4,842	4,610	43.8	3,811	58.5
Transfers in (including interfunds in, club transfers)	380	537	437	47.7	274	61.9
Transfers out (including interfunds out, club transfers)	711	1,657	1,238	52.3	285	55.9
Refunds	2,548	4,226	4,610	43.8	1,425	97.7
Divorces	26	504	504	95.1	404	90.4
Member estimates requested either by scheme member and employer	537	5,013	5,192	93.5	4,723	93.6
New joiner notifications	1,560	15,150	16,650	99.6	14,903	97.7
Aggregation cases	10,493	6,156	4,255	25.6	2,502	37.56
Optants out	341	605	510	53.9	329	75.5

Key Performance Indicators continued

Table B - Time taken to process casework

Casework KPI	Fund target (days)	% completed within Fund target in year	% completed in previous year
Communication issued with acknowledgement of death of active, deferred, pensioner and dependent member	10	83.2	*15 days in 24/25 89
Communication issued confirming the amount of dependents pension	15	76.1	78.5
Communication issued to deferred member with pension and lump sum options (quotation)	20	91.8	*Not published in 24-25
Communication issued to active member with pension and lump sum options (quotation)	20	85.5	80.2
Communication issued to deferred member with confirmation of pension and lump sum options (actual)	20	79.4	*Not published in 24-25
Communication issued to active member with confirmation of pension and lump sum options (actual)	20	67.4* Change of reporting methodology to better represent member experience	96.7
Communication issued with deferred benefit options	60	42.9	23

Communication issued to scheme member with completion of transfer in	**20**	**26.8**	**11.3**
Communication issued to scheme member with completion of transfer out	**20**	**14.2**	**17.5**
Payment of refund	**20**	**92.3**	**90**
Divorce quotation	**30**	**93.7**	**77**
Communication issued following actual divorce proceedings i.e. application of a Pension Sharing Order	**120**	**81.8**	**86 * 80 days in 24-25**
Communication issued to new starters	**30**	**73.6**	**93**

Table C– Communications and engagement

Engagement with online portals	**Percentage as at 31 March**
% of active members registered	**38.42%**
% of deferred members registered	**21.76%**
% of pensioner and survivor members registered	**21.27%**
Number of registered users by age	**21-30 = 3,123** **31-40 = 6,244** **41-50 = 9,122** **51-60 = 14,836** **61-70 = 13,262** **70+ = 2,632**
% of all registered users that have logged onto the service in the last 12 6 months	**Number = 6,370 – 12.9%**
Communication	
Total number of telephone calls received in year	**17,003**
Total number of email and online channel queries received	**18,665 emails + 7,766 MPO registration Queries = 26,431**
Number of scheme member events held in year (total of in person and online)	**18**

Number of employer engagement events held in year (in person and online)	**23**
Number of active members who received a one-to-one (in person and online)	**9**
Number of times a communication (i.e. newsletter) issued to:	
Active members	**2**
Deferred members	**1**
Pensioner members	**2**

Performance Commentary

- Strong performance was achieved in processing deaths, refunds and the provision of estimate quotations.
- Retirement processing fell slightly in response to changes in retirement processes and reporting methodology following completion of the enhanced admin to payroll integration project.
- Customer service metrics remained stable, with call handling exceeding targets.

Overall, the Fund maintained a high level of service delivery, with targeted improvement plans in place for areas where performance fell short of targets.

Membership

The Fund continues to experience growth in membership across all categories:

- Active members
- Deferred members
- Pensioners and Dependants

This growth increases administrative demand and reinforces the importance of efficient processes and robust data management.

The Kent Pension Fund provides pensions for employees of Kent County Council, and the 12 District/Borough Councils in the Kent County area. These are 'Scheduled Bodies', which means their employees have a statutory right to be in the Scheme. Other Scheduled Bodies include Medway Council, Kent and Medway Fire and Rescue, the Office of the Police and Crime Commissioner and the Chief Constable for Kent, as well as all Academy Trusts. Town and Parish Councils that have opted to join the Fund are known as 'Resolution Bodies'.

There are also 'Admission Bodies' which include voluntary organisations that the County Council has admitted to the Scheme under its discretionary powers. Other Admission Bodies include employees of contractors for jobs transferred from Scheduled Bodies. Teachers, Police Officers and Firefighters have separate non funded pension arrangements. Under the Pensions Act 2011, all employers are obliged to automatically enrol eligible employees into a qualifying pension scheme and re-enrol anyone who opts out of the scheme every three years. The LGPS is a qualifying scheme under the automatic enrolment regulations and can be used as such by Fund employers.

Further information on automatic enrolment can be found on the Pensions Regulator website www.thepensionsregulator.gov.uk

On 31 March 2026 there were 55,225 pensioners, 74,644 deferred members, and 55,159 contributors, a total of 185,028 Scheme members. Included in the deferred pensioners are 22,528undecided leaver members

Employer Management

The Fund works closely with participating employers to ensure:

- Accurate and timely submission of member data
- Correct payment of contributions
- Compliance with LGPS regulatory requirements

Employers are supported through:

- Training sessions and guidance materials
- Employer forums and regular communications
- Dedicated employer support within the administration team

Where necessary, the Fund applies escalation procedures in line with the Administration Strategy to address persistent non-compliance.

Employer Monthly Data Submissions (iConnect)

The team have planned an iConnect rollout programme to employers, with an aim to get all employers using iConnect to submit their data by 1 April 2027. To date, 297 employers have been onboarded to iConnect, representing 54% of the Fund's Active membership.

At 31 March 2026 there were 469 Employers in the Fund. During the year 17 organisations joined the Fund as either Scheduled Bodies (such as a new parish or town council making a resolution to join the Fund) or Admitted Bodies following the transfer of staff from existing Fund Employers and as Schools converted to Academy Trusts. Academy Trusts also consolidated, and other employers exited the Fund as their last active members left or retired. During the year 21 employers either ceased to be members of the Fund or merged with other employers.

The following table shows a summary of the number of employers in the Fund analysed by employer type which are active (i.e. with contributing members) and ceased (i.e. with no active members but with some outstanding liabilities).

Number of employers			
	Active	Ceased	Total
Scheduled Body	206	66	272
Admitted Body	59	138	197
Total	265	204	469

The following table shows a summary of employers in the fund analysed by type:

Employer Type	Employers	Active Members	Deferred Members	Pensioner Members
Kent County Council (inc. Schools)	1	21,682	34,344	27,644
Local Authorities	13	8,893	11,356	14,052
Resolution Bodies	86	5,149	7,360	5,944
Transferee Admission Bodies	44	252	584	834
Community Admission Bodies	15	1,105	2,721	2,085
Academy Trusts	106	18,078	18,279	4,666
Total	265	55,159	74,644	55,225

A full listing of contributing Scheme employers as at 31 March 2025 can be found in the Fund's 'Rates and Adjustments Certificate' (Appendix 5 of the Actuarial Valuation report) found here: Actuarial valuation as at 31 March 2025

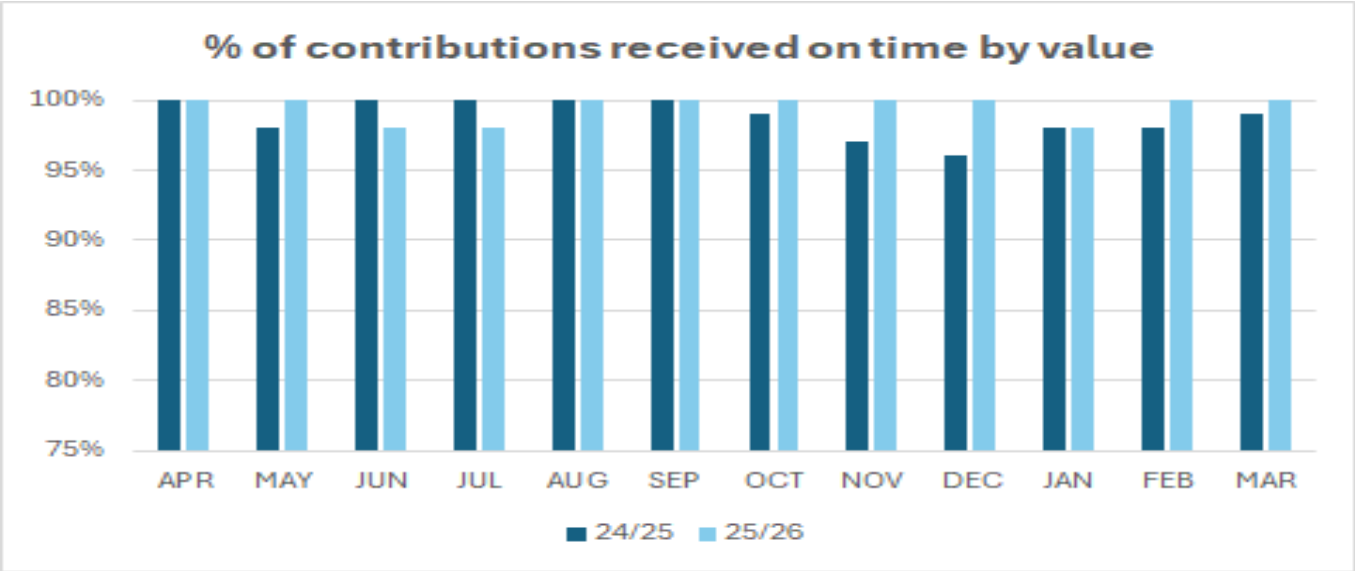
In 2025-26, the Kent Pension Fund monitored the timely receipt of contributions by the deadline of the 19th of the following month the contributions relate to in two different measures: by value and by number of employers.

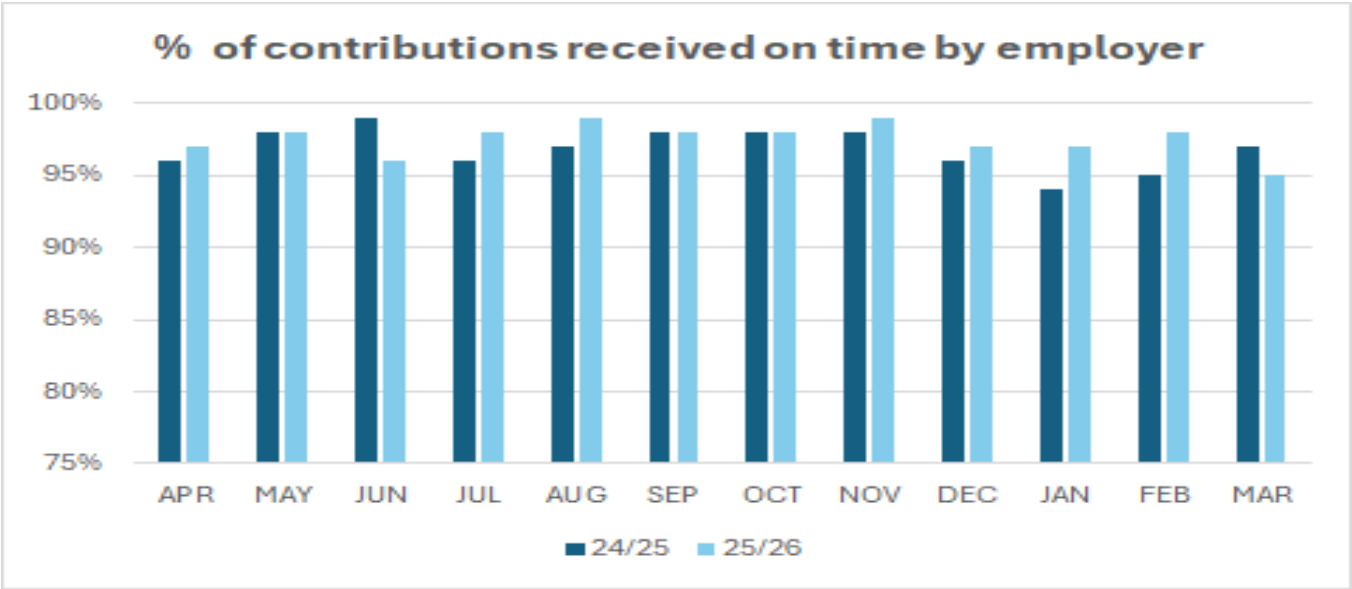
The tables below show the measures over the 12-month period, with a contrast to the same months of the previous year.

Averaging 99.5% of total contribution income by value from the employers and 97.5% of employers paid on time. The lower percentage reflects the difficulties some small employers have and some backdated admissions in the Fund.

The option to levy interest on overdue contributions was not exercised.

At 31 March 2026, contributions relating to March salaries totalling £28.9M were not received until the due date of 17 April.





Annual Benefit Statements (ABS')/Pension Saving Statements (PSS')

ABS' were produced by the statutory deadline of 31 August for 51,238 active members and 50,144 deferred members. Statements were published on the member self-service portal, with paper copies posted to those who requested.

Pension Savings Statements (PSS) were produced by the statutory deadline of 6 October for the 48 members who were identified as breaching the annual allowance limit in 2024/25, or who made a formal request to be provided with their pension input amount. Of these, 1 member has so far elected to use the Scheme Pays option to meet payment of a tax charge.

Communications Policy

The latest version of the Funds Communications Policy was approved by the Pension Fund Committee on 26 March 2026. All prospective, active, deferred and pensioner members have access to the following:

- Major changes to scheme regulations are communicated to member groups and are published on the website in an effective, straightforward, and timely manner.
- Kent Pension Fund website has dedicated areas for all members. It includes information about the scheme, guides, factsheets, and forms. Customers can request a paper copy of information or documents by contacting their employer (if applicable) or the Fund. Members and employers can use the online enquiry and document upload form on a secure area of the website.
- The Pensions Customer Helpline is available Monday to Friday. The current opening times are available on the Kent Pension Fund website. The telephone number is 03000 41 34 88.
- Written correspondence can be sent to the Fund, together with forms and certificates. The address is Pension Section, Sessions House, County Hall, Maidstone, Kent, ME14 1XQ.
- One to one appointments with a member of the Kent Pension team are available Monday to Friday via MS Teams on request, during the opening times of the pensions customer helpline.

All active, deferred and pensioner members have access to MyPension Online which is an online secure facility for members of the

Fund, hosted by Heywood Pension Technologies Ltd.

Registered members can:

- view a summary of the details the Fund holds for them and keep their personal details up to date
- create, view, and update their expression of wish for any death grant that may be payable
- perform quotations for deferred benefits and future benefits (depending on member status)
- view figures for P60s and pay slips (pensioner members). Members can also download a copy of their pay slips.

A dedicated area of the website is provided for those thinking of joining the scheme containing information, guides, and factsheets.

Data Quality

Maintaining high-quality data remains a key priority for the Fund.

During the year:

- Data validation checks continued to be strengthened
- Employers were supported in improving data submissions
- The Fund monitored compliance with The Pensions Regulator's record-keeping requirements

Improvements in data quality support:

- Accurate benefit calculations
- Regulatory compliance
- Effective actuarial valuation outcomes

Table E – Data Quality

Annual Benefit Statements	
Percentage of annual benefit statements issued as at 31 August	98.89%
Short commentary if less than 100%	574 statements were excluded due to issues with pay
Data Category	
Common data score	97.80%
Scheme specific data score	82.20%
Percentage of active, deferred and pensioner members recorded as 'gone away' with no home address held, or address is known to be out of date	Active = 0.4140% Deferred = 4.8601% Pensioner = 0.9349%
Percentage of active, deferred and pensioner members with an email address held on file	Active = 67.0861% Deferred = 51.6304% Pensioner = 66.5378%
Employer performance	
Percentage of employers set up to make monthly data submissions	74%
Percentage of employers who submitted monthly data on time during the reporting year	100%

Mortality Screening and National Fraud Initiative

Kent Pension Fund undertakes a monthly mortality screen to ensure that all deaths are reported promptly to the Fund and to minimise overpayments of pension.

Overpayments are recovered by the Fund by written request to the estate, or, with permission from the beneficiary, from a death grant or dependent pension.

The Fund also participates in the bi-annual National Fraud Initiative (NFI).

Regulatory Compliance

The administration service operates within a complex regulatory framework, including oversight by The Pensions Regulator (TPR).

Key areas of focus during the year included:

- Compliance with the Public Service Pensions Dashboard Programme requirements
- Ongoing work in relation to the McCloud Remedy
- Strengthening internal controls and governance processes

The Fund continues to maintain and review its risk register, internal controls and procedures to ensure full compliance.

Pensions Dashboard Programme

The Fund continued its preparations for connection to the national Pensions Dashboard Programme.

Work undertaken during 2025/26 included:

- Reviewing and improving data readiness
- Developing technical solutions for connectivity
- Engaging with scheme software providers

The Fund remains committed to meeting statutory staging deadlines.

Digital Development

The Fund continued to invest in digital solutions to improve service delivery, including:

- Enhancements to the member self-service portal
- Increased use of electronic communications
- Process automation where appropriate

These developments support improved member engagement and operational efficiency.

Risk Management

The administration service maintains a detailed risk register, identifying risks relating to:

- Data quality
- Regulatory compliance
- System and process resilience
- Resource capacity

Mitigation measures are regularly reviewed and reported to the Pension Fund Committee and Pension Board.

Staffing and Resources

The administration service is structured to deliver services effectively across all key functions.

During the year:

- Recruitment and retention remained a focus due to sector-wide challenges
- Training and professional development were prioritised
- Work continued to ensure resilience and succession planning

The Fund recognises that a skilled and well-resourced team is essential to maintaining high service standards.

Table D – Resources

Resources	

Total number of administration staff (FTE)	70.73
Average service length of all administration staff	11.60 years
Staff vacancy rate as %	21.17
Ratio of all administration staff to total number of scheme members (all staff including management)	1:2,524

Staff training

Training figures for the period 01/04/2025 – 31/03/2026

In house training sessions	98
Sessions led by Training Officers	79
External LGA training courses attended	23

From April 2024 the team changed the training schedule to build a 'protected week' into the schedule therefore any training postponed can now be rescheduled within the protected week. Colleagues no longer have to wait (potentially up to 3 months) for training to be rescheduled onto the following quarters schedule.

Two colleagues successfully completed the PMI Award in Pensions Essentials (level 2) this was a pilot intake of students. The Award in Pensions Essentials (APE) is a level 2 qualification aimed at those new to pensions. Level 2 qualifications are equivalent to GCSE. The qualification is delivered by Barnett Waddingham.

Progress has been made on the teams new SharePoint area containing procedure notes, regulations and 'how to' videos for colleagues on a variety of subjects. 7 areas have been launched to date.

Complaints and Internal Dispute Resolution Procedure (IDRP)

Complaints

If customers have a complaint about the service, the Fund will do it's best to put things right. If customers are still dissatisfied, they can write to Pensions Section, Sessions House, Maidstone, ME14 1XQ.

There were 8 formal complaints made in 2025/26. These were all investigated, and changes were made to processes where appropriate.

Appeals

The LGPS regulations provide a two-stage formal appeal process for members. For stage 1 it will be heard by an independent adjudicator.

If the member is still dissatisfied, they can make a second stage appeal, which will be considered by the Head of Pensions Administration if an appeal against an employer decision, or the Head of Pensions and Treasury if an appeal against the Administering Authority.

After this second stage, if the member wishes, the matter can be investigated by the Pensions Ombudsman. The Pensions Ombudsman is an independent organisation set up by law to deal with pension complaints. Contact details are:

Phone: 0800 917 4487

E-mail: enquiries@pensions-ombudsman.org.uk

The Fund considered 6 stage 1 Internal Dispute Resolution Procedure (IDRP) appeals against the Pension Fund during 2025/26. None of these proceeded to stage 2 of the IDRP process.

Value for Money Statement

The Fund delivers an efficient and effective administration service as demonstrated by:

- Low administration cost per member
- Low number of member complaints
- Good prospects for improvements
- A number of formally qualified team members

Work has continued in the year to improve data quality, with a focus on working with employers to improve the timeliness and quality of

the information they provide.

With support from Lumera and Hymans, work has continued to rectify and remedy member data and records in preparation for and compliance with McCloud and Pensions Dashboard.

Outlook

Looking ahead, the Fund will continue to focus on:

- Maintaining high standards of service delivery
- Preparing for regulatory change and Dashboard implementation
- Improving data quality and digital capability
- Supporting employers in meeting their obligations

The Fund remains committed to delivering a high-quality, compliant and member-focused administration service.

Actuary's Statement as at 31 March 2026

Introduction

The last full triennial valuation of the Kent Pension Fund (the Fund) w as carried out as at 31 March 2025 as required under Regulation 62 of the Local Government Pension Scheme Regulations 2013 (the Regulations) and in accordance with the Funding Strategy Statement of the Fund. The results were published in the triennial valuation report dated 30 March 2026.

Asset value and funding level

The results for the Fund at 31 March 2025 were as follows:

- The smoothed value of the Fund's assets as at 31 March 2025 for valuation purposes was £8.60bn.
- The Fund had a funding level of 104% i.e. the assets were 104% of the value that they would have needed to be to pay for the benefits accrued to that date, based on the assumptions used. This corresponded to a surplus of £336m.

Contribution rates

The employer contribution rates, in addition to those paid by the members of the Fund, are set to be sufficient to meet:

- The annual accrual of benefits allowing for future pay increases and increases to pensions in payment when these fall due;
- plus an amount to reflect each participating employer's notional share of the Fund's assets compared with 100% of their liabilities in the Fund, in respect of service to the valuation date.

The primary rate of contribution on a whole Fund level was 16.7% of payroll p.a. The primary rate as defined by Regulation 62(5) is the employer's share of the cost of benefits accruing in each of the three years beginning 1 April 2026.

In addition, each employer pays a secondary contribution as required under Regulation 62(7). This secondary rate is based on their particular circumstances, and so individual adjustments are made for each employer. The total secondary contributions payable by all employers, in each of the three years in the period 1 April 2026 to 31 March 2029 is set out in the table below:

Secondary Contributions	2026/27	2027/28	2028/29
Total as a % of payroll	2.4%	1.0%	0.6%
Equivalent to total monetary amounts of	£30.7m	£13.1m	£7.5m

In practice, each employer was assessed individually in setting the minimum contributions due from them over the inter-valuation period. Details of each employer's contribution rate are contained in the Rates and Adjustments Certificate in the triennial valuation report.

.Assumptions

The assumptions used to value the liabilities at 31 March 2025 are summarised below:

Assumptions	Assumptions used for the 2025 valuation
Financial assumptions	
CPI inflation	2.7% p.a.
Long-term salary increases	3.7% p.a.
Discount rate	4.9% p.a.
Demographic assumptions	
Post-retirement mortality	Male/Female
Member base tables	S4PA
Member mortality multiplier (Male/Female)	105%/105%
Dependant base tables (Male/Female)	S4DA
Dependant mortality multiplier (Male/Female)	100%/110%
Projection model	CMI 2024
Long-term rate of improvement	1.50%
p.a.Initial addition to improvements	0% p.a.
Overlay half-life (not applicable in 2022)	1 year

The mortality assumptions translate to life expectancies as follows:

Assumed life expectancies at age 65:	
Average life expectancy for current pensioners – men currently age 65	21.37 years
Average life expectancy for current pensioners- women currently age 65	23.68 years
Average life expectancy for future pensioners – men currently age 45	22.97 years
Average life expectancy for future pensioners – women currently age 45	25.41 years

Full details of the demographic and other assumptions adopted as well as details of the derivation of the financial assumptions used can be found in the 2025 valuation report.

Actuary's Statement as at 31 March 2026 continued

Updated position since the 2025 valuation

Assets

Investment returns on the Fund's assets over the year to 31 March 2026 have been strong, which has had a positive impact on the Fund's asset position. In addition, the assets have increased due to contributions paid by the employers over the year, partially offset by benefits paid out.

Liabilities

The value of the Fund's liabilities has increased over the year to 31 March 2026. This is primarily due to interest accruing on those liabilities and the accrual of one more year of pension benefits for active members.

Overall position

Both the value of the assets and the liabilities are estimated to have increased over the year to 31 March 2026. The assets have been estimated to have increased by more than the liabilities and so the funding level has been estimated to have increased over the year to 31 March 2026.



Roisin McGuire, FFA
Principal, Barnett Waddingham LLP

Statement of Responsibilities for the Statement of Accounts

Kent County Council's Responsibilities
The Council is required:

- to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Corporate Director of Finance;
- to manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets; and
- to approve the Statement of Accounts.

I confirm that these Accounts were approved by the Governance and Audit Committee at its meeting on 30 October 2026 on behalf of Kent County Council

Michael Brown
Chairman of the Governance and Audit Committee
6 November 2025

The Corporate Director of Finance's Responsibilities
The Corporate Director Finance is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Council Accounting in the United Kingdom (the Code), and is required to give a true and fair view of the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March 2026.

In preparing this Statement of Accounts the Corporate Director of Finance has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent; and
- complied with the Code.

The Corporate Director of Finance has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

I confirm that these accounts give a true and fair view of the financial position of the Council at the reporting date and its income and expenditure for the year ended 31 March 2026.

John Betts
Interim Corporate Director of Finance
6 November 2026

Pension Fund Accounts

Fund Account for the year ended 31 March 2026

	Notes	2025–26 £'000	2024–25 £'000
Dealings with members, employers and others directly involved in the Fund			
Contributions	7	**371,882**	**352,490**
Transfers in from other pension funds	8	**21,162**	**24,781**
		393,044	**377,270**
Benefits	9	**(353,466)**	(332,551)
Payments to and on account of leavers	10	**(15,269)**	(16,129)
		(368,735)	**(348,680)**
Net additions/(withdrawals) from dealings with members		**24,309**	**28,590**
Management expenses	11	**(55,868)**	**(40,132)**
Net additions/(withdrawals) including fund management expenses		**(31,559)**	**(11,541)**
Returns on investments			
Investment income	13	**188,885**	**169,754**
Taxes on income		**0**	**(228)**
Profits on disposal of investments and changes in the market value of investments	15a	**809,404**	**151,075**
Net Return on Investments		**998,289**	**320,601**
Net increase/(decrease) in the net assets available for benefits during the year		**966,730**	**309,060**
Opening net assets of the scheme		**8,451,611**	**8,142,551**
Closing net assets of the scheme		**9,418,341**	**8,451,611**

Net Assets Statement as at 31 March

	Notes	2025–26 £'000	2024–25 £'000
Investment assets		**9,429,125**	**8,449,146**
Investment liabilities		**(4,638)**	**(781)**
Net investment assets	15	**9,424,486**	**8,448,364**
Current assets	21	**38,346**	**39,602**
Current liabilities	22	**(44,490)**	**(36,356)**)
Net assets available to fund benefits at the period end		**9,418,341**	**8,451,611**

Notes to the Pension Fund Accounts

1. Description of the Fund

General

The Kent Pension Fund (the Fund) is part of the Local Government Pension Scheme (LGPS) and is administered by Kent County Council (KCC) for the purpose of providing pensions and other benefits for the pensionable employees of KCC, Medway Council, the district and borough councils in Kent and a number of other employers within the county area. The Fund is a reporting entity and KCC as the Administering Authority, is required to include the Fund's accounts as part of its own Report and Accounts. Teachers, police officers and firefighters are not included as they come within other national pension schemes. The LGPS is a contributory defined benefit pension scheme.

The Scheme is governed by the Public Service Pensions Act 2013. The Fund is administered in accordance with the following secondary legislation:
– the Local Government Pension Scheme Regulations 2013 (as amended);
– the Local Government Pension Scheme (Transitional Provisions, Savings and Amendments) Regulations 2014 (as amended);
– the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.

The Fund is overseen by the Kent Pension Fund Committee (the Scheme Manager). The Local Pension Board assists the Scheme Manager to ensure the effective and efficient governance and administration of the Scheme.

Membership

Membership of the LGPS is voluntary and employees are free to choose whether to join or remain in the Scheme or to make personal arrangements outside the Scheme. Employers in the Fund include Scheduled Bodies which are local authorities and similar entities whose staff are automatically entitled to be members of the Scheme; and Admission Bodies which participate in the Fund by virtue of an admission agreement made between the Administering Authority and the relevant body. Admission bodies include voluntary, charitable and similar entities or private contractors undertaking a local authority function following a specific business transfer to the private sector.

There are265 employers actively participating in the Fund and the profile of members is as detailed below:

	Kent County Council	Kent County Council	**Other Employers**	Other Employers	**Total**	Total
	31 Mar 2026	**31 Mar 2025**	**31 Mar 2026**	**31 Mar 2025**	**31 Mar 2026**	**31 Mar 2025**
Contributors	**21,644**	**21,870**	**33,515**	**33,843**	**55,159**	**55,713**
Pensioners	**27,641**	**26,548**	**27,584**	**25,988**	**55,225**	**52,536**
Deferred Pensioners	**34,316**	**34,033**	**340,328**	**37,647**	**74,644**	**71,680**
Total	**83,601**	**82,451**	**101,427**	**97,478**	**185,028**	**179,929**

Funding

Benefits are funded by contributions and investment earnings. Contributions are made by active members of the fund in accordance with the Local Government Pension Scheme Regulations 2013 and ranged from 5.5% to 12.5% of pensionable pay for the financial year ending 31 March 2026. Employers' contributions are set based on triennial actuarial funding valuations. The last such valuation was at 31 March 2025. Employers' contribution rates consist of a primary rate (representing the rate required to meet the cost of future accrual of benefits) and a secondary rate, which is an adjustment to the primary rate for employer specific circumstances (e.g. to allow for deficit recovery). Currently, employers' primary contribution rates range from 10.1% to 37.4% of pensionable pay.

Notes to the Pension Fund Accounts continued

Benefits
Pension benefits under the LGPS are based on the following:

	Service pre April 2008	Membership from 1 April 2008 to 31 March 2014	Membership from 1 April 2014
Pension	1/80 x final pensionable salary	1/60 x final pensionable salary	1/49 (or 1/98 if opted for 50/50 section) x career average revalued salary
Lump sum	Automatic lump sum of 3/80 x final pensionable salary.	No automatic lump sum	No automatic lump sum.
	In addition, part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.	Part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.	Part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.

There is a range of other benefits provided under the Scheme including early retirement, ill health pensions and death benefits. For more details, please refer to the Kent Pension Fund website: www.kentpensionfund.co.uk

2. Basis of preparation

The Statement of Accounts summarises the Fund's transactions for the 2025-26 financial year and its position at 31 March 2026.

The accounts have been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2025-26 which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector. The accounts are prepared on a going concern basis.

The following International Financial Reporting Standards have been issued but are not yet effective for accounting periods beginning before 1 January 2027, and have therefore not yet been adopted by the Fund in these 2025/26 accounts: IFRS 18 (Presentation and Disclosure in Financial Statements); IFRS 19 (Subsidiaries without Public Accountability: Disclosures); and the amendments to IAS 21 (The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency). These standards are expected to be adopted by the CIPFA Code for the 2026/27 financial year. It is not anticipated that any of these amendments will have a material impact on the Pension Fund.

The accounts summarise the transactions of the Fund and report on the net assets available to pay pension benefits. The accounts do not take account of obligations to pay pensions and benefits which fall due after the end of the financial year. The actuarial present value of promised retirement benefits, valued on an International Accounting Standard (IAS)19 basis is disclosed at note 20 of these accounts.

Going concern
The Statement of Accounts has been prepared on a going concern basis. The vast majority of employers in the pension scheme are scheduled bodies that have secure public sector funding, and therefore there should be no doubt in their ability to continue to make their pension contributions. Following the latest actuarial valuation and schedule of employer contribution prepayments, the Pension Fund has reviewed its cashflow forecast and is confident in its ability to meet is ongoing obligations to pay pensions from its cash balance for at least 12 months from the date of signing the accounts. In the event that investments need to be sold, 81% of the Fund's investments can be converted into cash within 3 months.

Notes to the Pension Fund Accounts continued

3. Summary of Significant Accounting Policies

Fund Account – revenue recognition

a) Contribution income

Normal contributions are accounted for on an accruals basis as follows: Employee contribution rates are set in accordance with LGPS regulations, using set percentage rates for all schemes which rise according to pensionable pay. Employer contribution rates are set at the percentage recommended by the Fund Actuary for the period to which they relate. As set out in the Fund Actuary's Rates and Adjustment certificate, certain employers can pay the primary and/or secondary contributions for the 3 years of the valuation period.

Employers' deficit funding contributions are accounted for on the due dates on which they are payable under the schedule of contributions set by the Fund Actuary or on receipt if earlier than the due date.

Employers' augmentation contributions and pensions strain contributions are accounted for in the period in which the liability arises. Any amount due in year but unpaid will be classed as a current financial asset.

b) Transfers to and from other schemes

Transfer values represent the amounts received and paid during the year for members who have either joined or left the Fund during the financial year and are calculated in accordance with the Local Government Pension Scheme Regulations. Individual transfers in/out are accounted for when received/paid, which is normally when the member liability is accepted or discharged. Transfers in from members wishing to use the proceeds of their additional voluntary contributions to purchase scheme benefits are accounted for on a receipts basis and are included in 'transfers in'. Bulk transfers are accounted for in accordance with the terms of the transfer agreement.

c) Investment income

Dividends, distributions, interest, and stock lending income on securities have been accounted for on an accruals basis and where appropriate from the date quoted as ex-dividend. Changes in the net market value of investments are recognised as income and comprise all realised and unrealised profits/losses during the year. Where the Fund's investments are held in income accumulating funds that do not distribute income the accumulated income on such investments is reflected in the unit market price at the end of the year and is included in the realised and unrealised gains and losses during the year. Direct property related income mainly comprises of rental income which is recognised when it becomes due.

Fund Account – expense items

d) Benefits payable

Pensions and lump-sum benefits payable include all amounts known to be due as at the year end. Any amounts due but unpaid are disclosed in the Net Assets Statement as current liabilities providing the payment has been approved.

e) Taxation

The Fund has been accepted by the HM Revenue and Customs as a registered pension scheme in accordance with paragraph 1(1) of Schedule 36 to the Finance Act 2004 and, as such, qualifies for exemption from UK income tax on interest received and from capital gains tax on proceeds of investments sold. Tax is therefore only applicable to dividend income from equity investments. Income arising from overseas investments is subject to deduction of withholding tax unless exemption is permitted by and obtained from the country of origin. Investment income is shown gross of tax, and any recoverable tax at the end of the year is included in accrued investment income.

By virtue of KCC being the administering authority, VAT input tax is recoverable on all Fund activities including investment and property expenses.

f) Management expenses

All expenses are accounted for on an accruals basis. Costs relating to KCC staff involved in the administration, governance and oversight of the Fund, and overheads incurred by KCC and recharged to the Fund at the end of the year. Fees of the external investment managers and custodian are agreed in the respective mandates governing their appointments. Broadly these are based on the market value of the investments under their management and therefore increase or reduce as the value of these investments change. Fees incurred include fees directly paid to fund managers as well as fees deducted from the funds by pooled fund managers which is grossed up to increase the income from these investments.

Notes to the Pension Fund Accounts continued

Net Assets Statement

g) Financial assets

Financial assets other than cash and debtors are included in the Net Assets Statement on a fair value basis as at the reporting date. A financial asset is recognised in the Net Assets Statement on the date the Fund becomes party to the contractual acquisition of the asset. Any purchase or sale of securities is recognised upon trade and any unsettled transactions at the year-end are recorded as amounts receivable for sales and amounts payable for purchases. From the trade date any gains or losses arising from changes in the fair value of the asset are recognised by the Fund. The values of investments as shown in the net assets statement have been determined at fair value in accordance with the requirements of the Code and IFRS 13 and IFRS 9. For the purposes of disclosing levels of fair value hierarchy, the fund has adopted the classification guidelines recommended in Practical Guidance on Investment Disclosures (PRAG/Investment Association, 2016).

The values of investments as shown in the Net Assets Statement have been determined as follows:

– Quoted investments are stated at market value based on the closing bid price quoted on the relevant stock exchange on the final day of the accounting period.
– Fixed income securities (bonds) are recorded at net market value based on their current yields.
– Investments in unquoted property and infrastructure pooled funds are valued at the net asset value or a single price advised by the fund manager.
– Investments in private equity funds and unquoted listed partnerships are valued based on the Fund's share of the net assets in the private equity fund or limited partnership using the latest financial statements published by the respective fund managers. The valuation standards followed by the managers are in accordance with the industry guidelines and the constituent management agreements. Such investments may not always be valued based on year end valuation as information may not be available, and therefore will be valued based on the latest valuation provided by the managers adjusted for cash flow and foreign exchange rate movements to the year end.
– Pooled investment vehicles are valued at closing bid price if both bid and offer prices are published; or if single priced, at the closing single price. In the case of pooled investment vehicles that are accumulation funds, the change in market value also includes income which is reinvested in the fund.
– Debtors/receivables being short duration receivables with no stated interest rate are measured at original invoice amount. Debtors are adjusted for provision made for doubtful debts relating to rent income.

h) Freehold and Leasehold Properties

The freehold and leasehold properties were valued at open market prices in accordance with the valuation standards laid down by the Royal Institution of Chartered Surveyors. The last valuation was undertaken by Colliers International, as at 31 December 2025. The valuer's opinion of market value and existing use value was primarily derived using comparable recent market transactions on arm's length terms. The results of the valuation have then been indexed in line with the MSCI Monthly Index movement to 31 March 2026. The indexation is carried out by DTZ, who are managers of the Fund's direct property portfolio.

i) Derivatives

The Fund uses derivative instruments to manage its exposure to specific risks arising from its investment activities. The Fund does not hold derivatives for speculative purposes. At the reporting date the Fund only held forward currency contracts. The future value of the forward currency contracts is based on market forward exchange rates at the year-end date and determined as the gain or loss that would arise if the outstanding contract were matched at the year-end with an equal and opposite contract. Under the European Market Infrastructure Regulations the Fund's forward currency contracts are required to be covered by margin cash. These amounts are included in cash or cash equivalents held by the Fund and reflected in a corresponding margin cash liability under investment liabilities.

j) Foreign currency transactions

Assets and liabilities in foreign currency are translated into sterling at spot market exchange rates ruling at the year-end. All foreign currency transactions including income are translated into sterling at spot market exchange rates ruling at the transaction date. All realised currency exchange gains or losses are included in change in market value of assets.

k) Cash and cash equivalents

Cash comprises cash at bank and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to minimal risk of changes in value. Cash and cash equivalents managed by fund managers and cash equivalents managed by KCC are included in investments. All other cash is included in current assets.

Notes to the Pension Fund Accounts continued

l) Financial liabilities
The Fund recognises financial liabilities relating to investments at fair value as at the reporting date. A financial liability is recognised in the Net Assets Statement on the date the fund becomes party to the liability. From this date any gains or losses arising from changes in the fair value of the liability are recognised by the Fund. Other financial liabilities classed as amortised cost are carried at amortised cost i.e. the amount carried in the net asset statement is the outstanding principal repayable plus accrued interest. Any interest charged is accounted for on an accruals basis and included in administration costs.

m) Actuarial present value of promised retirement benefits
The actuarial present value of promised retirement benefits is assessed on a triennial basis by the scheme actuary and the methodology used is in line with accepted guidelines and in accordance with IAS 19. As permitted under IAS 26, the Fund has opted to disclose the actuarial present value of promised retirement benefits by way of a note to the Net Assets Statement (Note 20).

n) Contingent assets and liabilities
A contingent asset/liability arises where an event has taken place that gives the Fund a possible right/obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Fund. Contingent assets/ liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an inflow/outflow of resources will be required or the amount of the right/obligation cannot be measured reliably. Contingent assets/liabilities are not recognised in the balance sheet but disclosed in a note to the accounts.

o) Pooling expenses

For the financial year 2025/26, the Fund was member of the ACCESS pool, a group of 11 LGPS Administering Authorities who, as part of a Government initiative, have agreed to pool their investments to achieve cost and scale benefits . Pooling costs included in the Fund's accounts reflect the Fund's proportion of the cost of the governance arrangements of the pool.

p) Additional Voluntary Contributions
The Fund provides an additional voluntary contribution (AVC) scheme for its members, assets of which are invested separately from those of the Fund. AVCs are not included in the accounts in accordance with Section 4(1)(b) of the Local Government Pension Scheme (Management and Investment of funds) Regulations 2016 but are disclosed for information in note 23.

q) Prior period adjustments, changes in accounting policies and errors
Prior period adjustments may arise as a result of a change in accounting policy or to correct a material error. Changes in accounting estimates do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by accounting practice or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Fund's financial position or performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

During the reporting period, there were no prior-period adjustments.

4. Critical judgements in applying accounting policy

The Fund's investment portfolio includes a number of directly owned properties which are leased commercially to various tenants with rental periods. The Fund has determined that these contracts all constitute operating lease arrangements rather than financed leased assets under the requirements set by IFRS 16. The Fund has assessed that the properties remain under the Fund's control and do not convey a right to ownership and that the Fund retains the significant risks and rewards associated with ownership of the properties. As a result, the properties are retained on the net asset statement at fair value.

5. Assumptions made about future and other major sources of estimation uncertainty

Item	Uncertainties	Effect if actual results differ from assumption
Actuarial present value of promised retirement benefits (Note 20)	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on Pension Fund assets. A firm of consulting actuaries is engaged to provide the Fund with expert advice about assumptions to be applied.	The effects on the net pension liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £105m. A 0.1% increase in assumed earnings inflation would increase the value of liabilities by approx. £5m, and a one year increase to the life expectancy assumptions would increase the value of the liabilities by approx. £240m.
Private Equity and Infrastructure investments (Note 17)	Valuation of unquoted private equity and infrastructure investments is highly subjective and inherently based on forward looking estimates and judgements involving many factors. They are valued by the investment managers using guidelines set out in the British Venture Capital Association.	The total private equity and infrastructure, which are level 3 investments on the financial statements, are £856m. Potential change in valuation due to changes in these factors is estimated in Note 17.
Freehold and Leasehold Property and Pooled Property Funds (Note 17)	Valuation techniques are used to determine the fair values of directly held property and pooled property funds. Where possible these valuation techniques are based on observable data, but where this is not possible management uses the best available data. Changes in the valuation assumptions used, together with significant changes in rental growth, vacancy levels or the discount rate could affect the fair value of property.	The effect of 10% variations in the factors supporting the valuation would be an increase or decrease in the value of directly held property and property pooled funds of £92m on a fair value of £917m. Details of potential factors affecting the valuation are in Note 17.

6. Events after the reporting date

There have been no events since 31 March 2026, up to the date when these accounts were authorised, that require or do not require any adjustment to these accounts.

On 1 April 2026, the Kent Pension Fund became a shareholder in the Border to Coast Pensions Partnership to commence the new pooling arrangements. This follows on from the Fund's earlier decision to transition from ACCESS to Border to Coast, as a result of the Government's Fit for the Future reforms, with the necessary governance and shareholder arrangements completed for membership from 2026/27. Given this event occurred after the reporting date, this has had no impact on the financial statements of 2025/26. Any related shareholding and associated transactions will be reflected in future financial statements, starting at 2026/27.

Following the Government's Access and Protections consultation, which included proposals to reinstate access to the Scheme for elected members, eligibility for councillors to join the LGPS was reintroduced with effect from 11 May 2026. This change has been implemented through amendments to the Local Government Pension Scheme Regulations 2013 (as amended) and reinstates councillors as eligible members, aligning the position in England with other UK jurisdictions.

As this change became effective after the reporting date of 31 March 2026, it has no impact on the measurement of membership, contributions or pension liabilities at that date. This is being treated as a non-adjusting post balance sheet event, and no adjustments have been made to the financial statements as at 31 March 2026.

Finally, on the 7th September 2026, the Government announced a pause to the Local Government Reorganisation (LGR) programme affecting Kent and Medway while it undertakes a full review of the process. The review follows updated legal advice and is intended to ensure that any future changes are lawful, robust and aligned with the Government's wider plans for public sector reform.

Before the pause, the Government had decided that the current two-tier system of local government in Kent would be replaced by four new unitary authorities. This would have involved the abolition of Kent County Council, Medway Council and the county's district and borough councils, with new councils due to assume responsibilities from 2028.

As a result of the review, no immediate changes will be made to local government structures in Kent and Medway. Existing councils will continue to operate as normal, and local elections scheduled for May 2027 will now take place using current council boundaries. The Government has stated that it remains committed to effective and sustainable local government but wants to ensure that future arrangements deliver the best outcomes for communities.

For members of the Kent Pension Fund, the pause does not affect the administration or payment of pension benefits. The Fund will continue to be administered as usual, and members do not need to take any action. Pension services and governance arrangements remain unchanged while the Government's review is carried out.

The Government has not yet confirmed a timetable for completing the review or whether the previously proposed reorganisation model will proceed. The Kent Pension Fund will continue to monitor developments and any changes will be reflected in future financial statements. However, at this time, there is no impact upon the Fund or these financial statements as at 31 March 2026.

Notes to the Pension Fund Accounts continued

7. Contributions receivable

	2025–26 £'000	2024–25 £'000
By Category		
Employees' contributions	**81,920**	**76,820**
Employers' contributions		
– normal contributions	**265,038**	**250,048**
– deficit recovery contributions	**19,017**	**20,138**
– augmentation contributions	**5,907**	**5,485**
Total Employers' contributions	**289,962**	**275,670**
Total contributions receivable	**371,882**	**352,490**
By type of employer		
Kent County Council	**130,382**	**123,564**
Scheduled bodies	**221,058**	**205,491**
Admitted bodies	**20,441**	**23,436**
Total	**371,882**	**352,490**

8. Transfers in from other pension funds

	2025–26 £'000	2024–25 £'000
Individual	**21,162**	**24,781**
Group	**0**	0
Total	**21,162**	**24,781**

9. Benefits payable

	2025–26 £'000	2024–25 £'000
By category		
Pensions	**289,203**	**276,634**
Retirement commutation and lump sum benefits	**55,350**	**47,587**
Death benefits	**8,913**	**8,330**
Total	**353,466**	**332,551**
By type of employer		
Kent County Council	**150,169**	**146,244**
Scheduled bodies	**180,713**	**165,802**
Admitted bodies	**22,584**	**20,505**
Total	**353,466**	**332,551**

10. Payments to and on account of leavers

	2025–26 £'000	2024–25 £'000
Individual transfers	**13,453**	**14,536**
Payments/refunds for members joining state scheme	**2**	**3**
Refunds of contributions	**1,814**	**1,591**
Total	**15,269**	**16,129**

Notes to the Pension Fund Accounts continued

11. Management expenses

	Notes	2025–26 £'000	2024–25 £'000
Administration costs		**6,744**	**5,841**
Governance and oversight costs		**1,921**	**1,297**
Investment management expenses	12	**46,876**	**32,615**
Audit fees		**148**	**149**
Pooling expenses		**179**	**229**
Total		**55,868**	**40,132**

The audit fees disclosed above excludes VAT. The amount includes fees of £136,773 relating to the 2025/26 external audit with the balance being related to 2023/24 and 2024/25 audits.

The amount above also includes non-audit fees of £3,500 in respect of an IAS 19 assurance letter issued to the National Audit Office (NAO) for the prior year and a proposed fee of £3,500 for the current year. The total amount also includes a fee of £7,530 in relation to ISA 315.

These amounts are outside the PSAA scale and have been separately agreed.

12. Investment management expenses

	Notes	2025–26 £'000	2024–25 £'000
Investment managers fees	12a	**33,520**	**29,817**
Transaction costs		**13,301**	**2,751**
Custody fees		**55**	**57**
Total		**46,876**	**32,615**

The management fees disclosed above include all investment management fees directly incurred by the Fund including those charged on pooled fund investments.

In addition to the transaction costs disclosed above, indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles. These indirect costs are not separately provided to the Fund.

12a. Investment management fees

	2025–26 £'000	2024–25 £'000
Bonds	**4,730**	**4,433**
Equities	**17,015**	**14,411**
Private equity/infrastructure	**8,511**	**7,855**
Property	**3,265**	**3,118**
Total	**33,520**	**29,817**

13. Summary of income from investments

	Notes	2025–26 £'000	2025–26 %	2024–2025 Restated* £'000	2024–2025 Restated* %
Bonds		**17,573**	**9.3**	**16,798**	**9.9**
Equities		**0**	**0**	**5,059***	3.0*
Pooled investments		**111,604**	**59.1**	**100,522**	**59.2**
Private equity/infrastructure		**16,247**	**8.6**	**9,423**	**5.6**
Property	14	**20,599**	**10.9**	**13,045**	**7.7**
Pooled property investments		**10,739**	**5.7**	**11,257**	**6.6**
Cash and cash equivalents		**12,075**	**6.4**	13,535*	8.0*
Stock lending and miscellaneous		**47**	**0.0**	**115**	0.1
Total before taxes		**188,885**	**100.0**	**169,754**	100.0

Comparative information for the year ended 31 March 2025 has been restated to correct a misclassification where cash and cash equivalents income had previously been classified as equities income. This adjustment has been made to ensure the correct presentation and classification of investment income. The net impact on this note and on the overall financial position of the Fund was nil.

Notes to the Pension Fund Accounts continued

14. Property income and expenditure

	2025–26 £'000	2024–25 £'000
Rental Income from investment properties	**32,708**	**24,503**
Provision for doubtful debts	**(3,347)**	**(4,282)**
Direct operating expenses	**(8,762)**	**(7,176)**
Net operating income from property	**20,599**	**13,045**

15. Investments

Investment Assets	**Market Value as at 31 March 2026 £'000**	Market Value as at 31 March 2025 £'000
Bonds	**436,820**	**415,195**
Equities	**0**	**0**
Pooled investments		
– Fixed income	**901,560**	**856,819**
– Equities	**5,601,975**	**4,892,344**
– Absolute return	**470,115**	**430,001**
Private equity/infrastructure funds	**856,395**	**833,484**
Property	**714,804**	**473,188**
Pooled property investments	**202,540**	**231,081**
Derivatives – forward currency contracts	**236**	**369**
Investment cash and cash equivalents	**229,414**	**306,353**
Investment income due	**11,324**	**10,314**
Amounts receivable for sales	**0**	**0**
Margin cash	**3,942**	**0**
Total investment assets	**9,429,125**	**8,449,146**
Investment liabilities		
Amounts payable for purchases	**(0)**	**(0)**
Margin cash liability	**(0)**	**(688)**
Derivatives – forward currency contracts	**(4,638)**	**(94)**
Total investment liabilities	**(4,638)**	**(781)**
Net investment assets	**9,424,486**	**8,448,364**

Investment income due (debtors) includes a sum of £5.8m (2024-25 £6.0m) for rents and service charges payable by tenants of properties owned by the Pension Fund of which there is a high likelihood that a significant portion will not be fully recovered. A provision of £3.3m (2024-25 £4.3m) has therefore been made for doubtful rent debts.

Notes to the Pension Fund Accounts continued

15a. Reconciliation of movements in investments and derivatives

	Market Value as at 31 March 2025 £'000	Purchases at Cost £'000	Sales Proceeds £'000	Change in Market Value £'000	**Market Value as at 31 March 2026 £'000**
Bonds	415,195	60,583	-42,033	3,075	436,820
Equities	0	0	0	0	**0**
Pooled investments	6,179,163	145,009	-90,122	739,600	6,973,650
Private equity/infrastructure	833,484	66,630	-106,214	58,102	856,395
Property	473,188	233,525	0	8,091	714,804
Pooled property investments	231,081	16,907	-40,724	-4,724	202,540
Derivative contracts	8,132,110	522,654	(279,093)	804,144	9,184,209
– Forward currency contracts	275	1,820,533	(1,826,091)	881	(4,402)
Other investment balances	**8,132,385**	**2,343,187**	**(2,105,184)**	**809,419**	**9,175,413**
– Investment cash and cash equivalents	306,353	4,188	(160,421)	(15)	229,414
– Amounts receivable for sales	0				**0**
– Amounts payable for purchases	0				**0**
– Margin cash liability	(688)				3,942
– Investment Income due	10,314				11,324
Net investment assets	**8,448,364**	**2,347,376**	**(2,265,605)**	**809,404**	**9,424,486**

	Market Value as at 31 March 24 £'000	Purchases at Cost £'000	Sales Proceeds £'000	Change in Market Value £'000	**Market Value as at 31 March 2025 £'000**
Bonds	400,903	137,994	(122,757)	(946)	**415,195**
Equities	406,065	490,063	(944,550)	48,422	**0**
Pooled investments	5,594,441	1,193,488	(630,510)	21,745	**6,179,163**
Private equity/infrastructure	763,399	69,795	(60,633)	60,923	**833,484**
Property	461,774	4,000	(1,359)	8,773	**473,188**
Pooled property investments	265,421	67,221	108,848	7,287	**231,081**
Derivative contracts	7,892,002	1,962,562	(1,868,656)	146,202	**8,132,110**
– Forward currency contracts	(981)	2,528,269	(2,530,269)	3,836	**275**
Other investment balances	**7,891,022**	**4,490,830**	**(4,399,505)**	**150,038**	**8,132,385**
– Investment cash and cash equivalents	240,140	8,405	(20,080)	1,037	**306,353**
– Amounts receivable for sales	1,247				**0**
– Amounts payable for purchases	(2,444)				**0**
– Margin cash asset	1,307				**(688)**
– Investment income due	9,585				**10,314**
Net investment assets	**8,140,856**	**3,451,127**	**(3,266,937)**	**157,715**	**8,448,364**

Notes to the Pension Fund Accounts continued

15b. Analysis of Derivative Contracts

Objectives and policy for holding derivatives
Most of the holding in derivatives is to hedge liabilities or hedge exposures to reduce risk in the Fund. Derivatives may be used to gain exposure to an asset more efficiently than holding the underlying asset. The use of derivatives is managed in line with the investment management agreement agreed between the Fund and the investment manager.

Open forward currency contracts
In order to maintain appropriate diversification and to take advantage of overseas investment returns, a significant portion of the Fund's fixed income portfolio managed by Goldman Sachs Asset Management is invested in overseas securities. To reduce the volatility associated with fluctuating currency rates, the investment manager hedges the overseas exposure of the portfolio.

Settlement	Currency bought	Local value 000's	Currency sold	Local value 000's	Asset value £'000	Liability value £'000
Up to one month	GBP	59	USD	(78)	0	0
Up to one month	GBP	50	USD	(66)	0	0
Up to one month	USD	608	GBP	(444)	17	0
Up to one month	GBP	441	USD	(608)	0	(20)
Up to one month	USD	2,844	GBP	(2,066)	90	0
Up to one month	GBP	130,404	USD	(178,008)	0	(4,588)
Up to one month	GBP	623	USD	(847)	0	(20)
Up to one month	USD	476	GBP	(348)	13	0
Up to one month	USD	1,283	GBP	(957)	15	0
Up to one month	USD	811	GBP	(607)	8	0
Up to one month	USD	1,020	GBP	(763)	11	0
Up to one month	USD	704	GBP	(531)	3	0
Up to one month	USD	1,329	GBP	(1,001)	6	0
Up to one month	USD	578	GBP	(437)	2	0
Up to two months	EUR	1,027	GBP	(901)	0	(2)
Up to two months	GBP	1,087	EUR	(1,241)	0	0
Up to two months	GBP	63,982	EUR	(72,987)	54	0
Up to two months	EUR	438	GBP	(383)	0	0
Up to two months	EUR	448	GBP	(391)	1	0
Up to two months	EUR	394	GBP	(342)	3	0
Up to two months	EUR	413	GBP	(359)	4	0
Up to two months	GBP	476	EUR	(548)	0	(4)
Up to two months	GBP	460	EUR	(530)	0	(5)
Up to two months	EUR	1,274	GBP	(1,105)	10	0
					236	(4,638)
Net forward currency contracts at 31 March 2026						**(4,402)**
Prior year comparative						
Open forward currency contracts at 31 March 2025					369	(94)
Net forward currency contracts at 31 March 2025						**275**

15c. Property Holdings

	Year ending 31 March 2026 £'000	Year ending 31 March 2025 £'000
Opening balance	**473,188**	**461,774**
Additions	**233,525**	**4,000**
Disposals	**0**	**(1,359)**
Net increase in market value	**8,091**	**8,773**
Closing balance	**714,804**	**473,188**

There are no restrictions on the realisability of the property or the remittance of income or proceeds on disposal and the Fund is not under any contractual obligation to purchase, construct or develop these properties, other than to the extent reported in note 26.

The future minimum lease payments receivable by the Fund are as follows:

	Year ending 31 March 2026 £'000	Year ending 31 March 2025 £'000
Within one year	**27,000**	**17,023**
Between one and five years	**65,158**	**47,626**
Later than five years	**52,909**	**32,131**
Total	**145,067**	**96,779**

The above disclosures have been reduced by a credit loss allowance of 0.35% per annum reflecting the Fund's expected loss from late or non-recovery of rents from tenants. This has been based on the Fund's own historic experience but also information on similar properties received from the Fund's property letting agents. The income has also been reduced to take into account the possibility of tenants taking advantage of break clauses in their non-cancellable operating lease contracts to terminate tenancies.

Notes to the Pension Fund Accounts continued

15d. Investments analysed by fund manager

	Market Value as at 31 March 2026		Market Value as at 31 March 2025	
	£'000	%	£'000	%
Investments managed in the ACCESS Pool	961,953	10.2		
Baillie Gifford			985,230	11.7
M&G	784,733	8.3	669,267	7.9
Ruffer	205,229	2.2	186,826	2.2
Schroders	1,744,662	18.5	1,426,143	16.9
Colombia Threadneedle	275,461	2.9	207,610	2.5
Robeco	992,254	10.5	840,382	9.9
	4,964,291	52.7	4,315,457	51.1
Investments managed outside the ACCESS Pool		3.1		
CQS	295,942		280,612	3.3
DTZ	824,930	8.8	603,240	7.1
Fidelity	43,730	0.5	45,819	0.5
Goldman Sachs	460,554	4.9	438,513	5.2
HarbourVest	354,533	3.8	326,547	3.9
Impax	73,647	0.8	65,479	0.8
Insight	767,310	8.1	853,325	10.1
Kames	27,225	0.3	26,755	0.3
Kent County Council investment team	204,923	2.2	129,368	1.5
M&G	343,749	3.6	332,277	3.9
Partners Group	420,883	4.5	431,872	5.1
Pyrford	264,885	2.8	243,174	2.9
Sarasin	0	0	920	0.0
Schroders	294,717	3.1	277,915	3.3
YFM	80,979	0.9	75,065	0.9
Link Fund Solutions	2,190	0.0	2,025	0.0
	4,460,195	47.3	4,132,907	48.9
Total	9,424,486	100	8,448,364	100

15e. Single investments exceeding 5% of net assets available for benefits

	31 March 2026	
Investments	£'000	% of net assets
WS ACCESS Global Equity Core Fund	961,953	10.2
WS ACCESS UK Equity Fund	1,106,905	11.7
LDI Solutions Plus ICAV Active (Insight)	767,310	8.1
WS ACCESS Global Dividend Fund	784,733	8.3
WS ACCESS Global Stars Fund	703,662	7.5
WS ACCESS Global Active Value Fund	637,757	6.8

	31 March 2025	
Investments	£'000	% of net assets
WS ACCESS Global Equity Core Fund	985,230	11.7
WS ACCESS UK Equity Fund	932,397	11.0
LDI Solutions Plus ICAV Active (Insight)	696,433	8.2
WS ACCESS Global Dividend Fund	669,267	7.9
WS ACCESS Global Stars Fund	639,354	7.6
WS ACCESS Global Active Value Fund	493,746	5.8

Notes to the Pension Fund Accounts continued

15f. Stock lending

The Custodians undertake a programme of stock lending to approved UK counterparties against non-cash collateral mainly comprising of Sovereigns and Treasury Bonds. The programme lends directly held global equities and bonds to approved borrowers against a collateral of Government and Supranational fixed interest securities of developed countries, which is marked to market on a daily basis. Securities on loan are included at market value in net assets on the basis that they will be returned to the Fund at the end of the loan term. Net income from securities lending received from the custodian is shown as income from investments in the Fund Account.

The amount of securities on loan at year end, analysed by asset class and a description of the collateral is set out in the table below.

	31 March 2026		31 March 2025		
Loan Type	**Market Value £'000**	**Collateral Value £'000**	Market Value £'000	Collateral Value £'000	**Collateral Type**
Equities	**0**	**0**	**0**	**0**	Treasury Notes and other Government debt
Bonds	**25,712**	**26,571**	**30,538**	**32,836**	Treasury Notes and other Government debt
Total	**25,712**	**26,571**	**30,538**	**32,836**	

16. Financial instruments

16a. Classification of financial instruments

The following table analyses the carrying amounts of financial assets and liabilities by category and Net Assets Statement heading.

	31 March 2026			31 March 2025		
	Fair value through profit and loss £'000	**Assets at amortised cost £'000**	**Financial liabilities at amortised cost £'000**	**Fair value through profit and loss £'000**	**Assets at amortised cost £'000**	**Financial liabilities at amortised cost £'000**
Financial Assets						
Bonds	**436,820**			**415,195**		
Equities	**0**			**0**		
Pooled investments	**6,973,650**			**6,179,163**		
Property pooled investments	**202,540**			**231,081**		
Private equity/infrastructure	**856,395**			**833,484**		
Derivative contracts	**236**			**369**		
Cash & cash equivalents	**215,696**	**18,592**		**299,099**	**20,480**	
Other investment balances		**12,267**			**10,314**	
Debtors/receivables		**8,268**			**4,472**	
	8,685,337	**42,126**	**0**	**7,958,391**	**35,267**	**0**
Financial Liabilities						
Derivative contracts	**(4,638)**			**(94)**		
Other investment balances			**(0)**			**688)**
Creditors			**(19,199)**			**(13,524)**
	(4,638)	**0**	**(19,199)**	**(94)**	**0**	**(14,211)**
Total	**8,680,699**	**42,126**	**(19,199)**	**7,958,297**	**35,267**	**(14,211)**

16b. Net gains and losses on financial instruments

	31 March 2026 £'000	**31 March 2025 £'000**
Fair value through profit and loss	**800,667**	**141,139**
Assets at amortised cost	**645**	**1,163**
Total	**801,313**	**142,302**

Notes to the Pension Fund Accounts continued

17. Valuation of assets and liabilities carried at Fair Value

The basis of the valuation of each class of investment asset is set out below. There has been no change in the valuation techniques used during the year. All assets are carried at and have been valued using fair value techniques.

Description of asset	Valuation hierarchy	Basis of valuation	Observable and unobservable inputs	Key sensitivities affecting the valuation provided
Quoted equities	1	Bid Market price on last day of accounting period	Not required	Not required
Quoted bonds	1	Market value on last day of accounting period	Not required	Not required
Quoted pooled investments	1	Net asset value/bid prices on last day of accounting period	Net asset values	Not required
Cash and cash equivalents	1	Carrying value is deemed to be fair value due to short term nature of these instruments	Not required	Not required
Unquoted pooled investments	2	Net asset value/bid prices on last day of accounting period	Net asset values	Not required
Pooled property	3	Net asset value/bid prices on last day of accounting period	Net asset values	Asset values can vary based on two key sensitivities: significant changes in yield movement and estimated rental value movement
Private equity and infrastructure funds	3	Fair values as per international private equity and venture capital guidelines (2022)	Valuation of underlying investment/assets/ companies/EBITDA multiples	Estimation techniques used in valuations, changes in market conditions, industry specific conditions
Direct Property	3	Independent valuation by Colliers using RICS valuation standards	Market values of similar properties, existing lease terms estimated rental growth, estimated vacancies	Asset values can vary based on two key sensitivities: significant changes in yield movement and estimated rental value movement
Quoted funds in administration	3	Net asset value/bid prices on last day of accounting period	Net asset values/or if the fund holds illiquid asets, valuation of underlying investment/assets/ companies/EBITDA multiples	If the fund holds illiquid assets, estimation techniques used in valuations, changes in market conditions, industry specific conditions
Forward exchange contracts	2	Market forward exchange rates on the last day of accounting period	Wide range of deals executed in the currency markets, exchange rate risk	Not required
Bespoke fund for equity protection programme assets	2	Net asset value of Fund based on valuation of underlying assets with quoted prices for bond holdings and market prices for derivatives	Wide range of deals executed in the bond holdings but limited comparable transactions for specialist equity derivatives	Valuation of derivatives is affected by the equity and foreign exchange market conditions

Note: Quoted fund in administration refers to the UK equities Fund managed by Link Fund Solutions Bespoke fund for equity protection programme assets is managed by Insight.

Notes to the Pension Fund Accounts continued

Sensitivity of assets valued at level 3
Having analysed historical data and current market trends, and consulted with independent investment advisors, the Fund has determined that the valuation methods described above, are likely to be accurate to within the following ranges, and has set out below the consequent potential impact on the closing value of investments held at 31 March 2026.

	Assessed valuation range (+/-)	Value as at 31 March 2026 £'000	Value on increase £'000	Value on decrease £'000
Private equity	11.5%	435,512	485,596	385,429
Infrastructure	9.3%	420,883	460,025	381,741
Direct and pooled property	10.4%	917,344	1,012,748	821,940
Other level 3 investments	11.5%	2,190	2,442	1,938
Total		1,775,930	1,960,811	1,591,048

	Assessed valuation range (+/-)	Value as at 31 March 2025 £'000	Value on increase £'000	Value on decrease £'000
Private equity	23.4%	401,612	496,589	307,635
Infrastructure	12.6%	431,872	486,288	377,456
Direct and pooled property	8.9%	681,342	741,981	620,703
Other level 3 investments	23.4%	2,025	2,499	1,551
Total		1,516,851	1,726,358	1,307,345

17a. Fair Value Hierarchy

Level 1
Assets and liabilities at Level 1 are those where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities. Investments include quoted equities, quoted fixed interest securities, quoted index linked securities and quoted unit trusts.

Level 2
Assets and liabilities at Level 2 are those where quoted market prices are not available or where valuation techniques are used to determine fair value. These techniques use inputs that are based significantly on observable market data. Investments include derivatives and investments in Link pooled funds for ACCESS.

Level 3
Assets and liabilities at level 3 are those where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data and are valued using various valuation techniques that require significant judgement in determining appropriate assumptions. They include private equity, infrastructure and both direct and pooled property investments, the values of which are based on valuations provided by the general partners to the funds in which the Fund has invested. Assurances over the valuation are gained from the independent audit of the accounts. These assets also include investments in quoted funds that were in administration as at 31 March 2026 and are invested in illiquid underlying assets.

These valuations are prepared by the fund managers in accordance with generally accepted accounting principles and the requirements of the law where these companies are incorporated. Valuations are usually undertaken periodically by the fund managers, who provide a detailed breakdown of the valuations of underlying assets as well as a reconciliation of movements in fair values. Cash flow adjustments are used to roll forward the valuations where the latest valuation information is not available at the time of reporting.

Notes to the Pension Fund Accounts continued

17a. Fair Value Hierarchy continued

The following table provides an analysis of the assets and liabilities of the Pension Fund grouped into levels 1 to 3, based on the level at which the fair value is observable.

Values at 31 March 2026	Quoted market price Level 1 £'000	Using observable inputs Level 2 £'000	With significant unobservable inputs Level 3 £'000	Total £'000
Financial assets at fair value through profit and loss				
Bonds	**436,820**			**436,820**
Equities	**0**			**0**
Pooled investments	**633,247**	**6,338,212**	**2,190**	**6,973,650**
Pooled property investments			**202,540**	**202,540**
Private equity and infrastructure			**856,395**	**856,395**
Derivatives		**236**		**236**
Cash deposits	**229,414**			**229,414**
Other Investment balances	**15,267**			**15,267**
Non-Financial assets at fair value through profit and loss				
Property			**714,804**	**714,804**
Financial liabilities at fair value through profit and loss				
Derivatives		**(4,638)**		**(4,638)**
Other investment liabilities	**0**			**0**
Net Investment assets	**1,314,748**	**6,333,809**	**1,775,929**	**9,424,486**

Values at 31 March 2025	Quoted market price Level 1 £'000	Using observable inputs Level 2 £'000	With significant unobservable inputs Level 3 £'000	Total £'000
Financial assets at fair value through profit and loss				
Bonds	415,195			415,195
Equities	0			0
Pooled investments	586,567	5,590,571	2,025	6,179,163
Pooled property investments			231,081	231,081
Private equity and infrastructure			833,484	833,484
Derivatives		369		369
Cash deposits	306,353			306,353
Other investment balances	10,314			10,314
Non-Financial assets at fair value through profit and loss				
Property			473,188	473,188
Financial liabilities at fair value through profit and loss				
Derivatives		(94)		(94)
Other investment liabilities	(688)			(688)
Net investment assets	1,317,741	5,590,846	1,539,778	8,448,364

Notes to the Pension Fund Accounts continued

17b. Reconciliation of fair value measurements within level 3

	Private Equity	Infrastructure	Direct and pooled property Restated	Other	Total Restated £'000
Market value 1 April 2025	401,612	431,872	704,268	2,025	1,539,778
Transfers into level 3					0
Transfers out of level 3					0
Purchases during the year	56,198	10,431	250,432	0	317,062
Sales during the year	(43,566)	(62,648)	(40,724)	0	(146,938)
Unrealised gains/losses	(2,461)	14,368	(15,781)	165	(3,708)
Realised gains/losses	23,729	26,860	19,148	0	69,736
Market value 31 March 2026	**435,512**	**420,883**	**917,344**	**2,190**	**1,771,536**
Market value 1 April 2024	387,333	376,066	727,195	2,308	1,492,901
Transfers into level 3					0
Transfers out of level 3					0
Purchases during the year	50,941	18,854	71,221	0	141,017
Sales during the year	(49,683)	(10,950)	(110,207)	0	(170,840)
Unrealised gains/losses	(19,735)	47,316	483	(283)	27,781
Realised gains/losses	32,756	586	15,577	0	48,919
Market value 31 March 2025	**401,612**	**431,872**	**704,268**	**2,025**	**1,539,778**

18. Nature and extent of risks arising from financial instruments

Risk and risk management

The Fund's primary long-term risk is that the value of its assets will fall short that of its liabilities (i.e. promised benefits payable to members). Therefore the aim of investment risk management is to minimise the risk of an overall reduction in the value and to maximise the opportunity for gains across the whole Fund portfolio. The Fund achieves this through asset diversification to reduce exposure to market risk (price risk, currency risk and interest rate risk) and credit risk to an acceptable level. In addition, the Fund manages its liquidity risk to ensure there is sufficient liquidity to meet the Fund's forecast cash flows. The Council manages these investment risks as part of its overall pension fund risk management programme.

Responsibility for the Fund's risk management strategy rests with the Kent Pension Fund Committee. Risk management policies are established to identify and analyse the risks faced by the Council's pensions operations. Policies are reviewed regularly to reflect changes in activity and in market conditions.

18a. Market risk

Market risk is the risk of loss from fluctuations in equity and commodity prices, interest and foreign exchange rates and credit spreads. The Fund is exposed to market risk from its investment activities, particularly through its equity holdings. The level of risk exposure depends on market conditions, expectations of future price and yield movements and the asset mix. The objective of the Fund's risk management strategy is to identify, manage and control market risk exposure within acceptable parameters, whilst optimising the return on risk. In general, excessive volatility in market risk is managed through diversification of the portfolio in terms of geographical and industry sectors and individual securities. To mitigate market risks, the Council and its investment advisors undertake appropriate monitoring of market conditions and benchmark analysis.

Other price risk

Other price risk represents the risk that the value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign exchange risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all such instruments in the market. The Fund is exposed to security and derivative price risks. This arises from investments held by the Fund for which the future price is uncertain. All security investments present a risk of loss of capital. Except for shares sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The possible loss from shares sold short is unlimited. The Fund's investment managers mitigate this price risk through diversification and the selection of securities and other financial instruments and their activity is monitored by the Council to ensure it is within limits specified in the Fund's investment strategy.

Notes to the Pension Fund Accounts continued

Other price risk – sensitivity analysis

Following analysis of historical data and expected investment return movement during the financial year, in consultation with the Fund's investment advisors, the Council has determined that the following movements in market price risk are reasonably possible for the 2025-26 reporting period.

Asset type	Potential market movements (+/-)
UK equities	7.7
Overseas equities	7.7
Emerging market equities	9.8
Global pooled equities incl UK	7.7
Bonds	7.1
Property	10.4
Infrastructure	9.3
Private equity	11.5

The potential price changes disclosed above are based on predicted volatilities calculated by our fund managers. The analysis assumes that all other variables, in particular foreign currency exchange rates and interest rates, remain the same. Had the market price of the Fund investments increased/decreased in line with the above, the change in the net assets available to pay benefits would have been as follows (the prior year comparator is shown below):

Asset type	Value as at 31 March 2026 £'000	Percentage change %	Value on increase £'000	Value on decrease £'000
Cash and cash equivalents	229,414	**0.0**	**229,414**	**229,414**
Investment portfolio assets:				
UK equities	**0**	**7.7**	**0**	**0**
Overseas equities	**0**	**7.7**	**0**	**0**
Pooled emerging market equities	**564,053**	**9.8**	**619,330**	**508,776**
Global pooled equities inc UK	**5,508,036**	**7.7**	**5,932,155**	**5,083,918**
Bonds inc. bond funds	**1,338,380**	**10.4**	**1,433,405**	**1,243,355**
Property pooled funds	**202,540**	**811.5**	**223,604**	**181,476**
Private equity	**435,512**	**9.3**	**485,596**	**385,429**
Infrastructure funds	**420,883**	**9.3**	**460,025**	**381,741**
Derivative assets	**236**	**0.0**	**236**	**236**
Total	**8,699,055**		**9,383,766**	**8,014,344**

The Fund has an equities downside protection programme to protect the Fund from falls and cap the returns within a given range and is designed to manage the risks associated with global equity investments and help achieve the Fund's required rate of return.

Asset type	Value as at 31 March 2025 £'000	Percentage change %	Value on increase £'000	Value on decrease £'000
Cash and cash equivalents	**306,353**	**0.0**	**306,353**	**306,353**
Investment portfolio assets:				
UK equities	**0**	**15.5**	**0**	**0**
Overseas equities	**0**	**15.9**	**0**	**0**
Pooled emerging market equities	**408,638**	**18.0**	**482,192**	**335,083**
Global pooled equities incl UK	**4,913,707**	**15.9**	**5,694,986**	**4,132,427**
Bonds inc. bond funds	**1,272,014**	**8.0**	**1,373,775**	**1,170,253**
Property pooled funds	**231,081**	**8.9**	**251,647**	**210,515**
Private equity	**401,612**	**23.4**	**495,589**	**307,635**
Infrastructure funds	**431,872**	**12.6**	**486,288**	**377,456**
Derivative assets	**369**	**0.0**	**369**	**369**
Total	**7,965,644**		**9,091,199**	**6,840,090**

Notes to the Pension Fund Accounts continued

18a. Market risk continued

Interest rate risk

The Fund invests in financial assets for the primary purpose of obtaining a return on investments. These investments are subject to interest rate risks, which represent the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund's interest rate risk is routinely monitored by the Council and its investment advisors in accordance with the Fund's risk management strategy, including monitoring the exposure to interest rates and assessment of actual interest rates against the relevant benchmarks. The Fund's direct exposures to interest rate movements as at 31 March 2026 and 31 March 2025 are set out below. These disclosures present interest rate risk based on the underlying financial assets at fair value.

Asset type	31 March 2026 £'000	31 March 2025 £'000
Cash and cash equivalents	229,414	306,353
Cash balances	4,874	13,227
Bonds		
– Directly held securities	436,820	415,195
– Pooled funds	901,560	856,819
Total	1,572,668	1,591,593

Interest rate risk – sensitivity analysis

The Fund recognises that interest rates can vary and can affect both income to the Fund and the value of the net assets available to pay benefits. A one percent movement in interest rates is consistent with the level of sensitivity applied as part of the Fund's risk management strategy. The Fund's investment advisor has advised that long-term average rates are expected to move less than one percent from one year to the next and experience suggests that such movements are likely. The analysis that follows assumes that all other variables, in particular exchange rates, remain constant, and shows the effect in the year on the net assets available to pay benefits of a +/- one percent change in interest rates:

	Carrying amount as at 31 March 2026	Change in year in the net assets available to pay benefits	
Asset type	£'000	+1% £'000	(1%) £'000
Cash and cash equivalents	229,414	0	0
Cash balances	4,874	0	0
Bonds			
– Directly held securities	436,820	(17,691)	17,691
– Pooled funds	901,560	(16,960)	16,960
Total change in assets available	1,572,668	(34,651)	34,651

	Carrying amount as at 31 March 2025	Change in year in the net assets available to pay benefits	
Asset type	£'000	+1% £'000	(1%) £'000
Cash and cash equivalents	306,353	0	0
Cash balances	13,227	0	0
Bonds			
– Directly held securities	415,195	(17,231)	17,231
– Pooled funds	856,819	(15,018)	15,018
Total change in assets available	1,591,593	(32,249)	32,249

Changes to both the fair value of assets and the income received from investments impact on the net assets available to pay benefits. The analysis demonstrates that a 100 bps increase in interest rates will not affect the interest received on fixed interest assets but will reduce their fair value and vice versa. Changes in interest rates do not impact on the value of cash/cash equivalent balances but they will affect interest income received on those balances.

Notes to the Pension Fund Accounts continued

Currency risk

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Through their investment managers, the Fund holds both monetary and non-monetary assets denominated in currencies other than GBP, the functional currency of the Fund. Most of these assets are not hedged for currency risk and the Fund is exposed to currency risk on these financial instruments. However, a significant proportion of the investments managed by Goldman Sachs Asset Management and all investments in the CQS Fund are hedged for currency risk through forward currency contracts. The Fund's currency rate risk is routinely monitored by the Council and its investment advisors in accordance with the Fund's risk management strategy, including monitoring the range of exposure to current fluctuations. The following table summarises the Fund's currency exposure excluding the hedged investments as at 31 March 2026 and 2025:

Currency exposure – asset type	Asset value 31 March 2026 £'000	Asset value 31 March 2025 £'000
Overseas equities	**0**	**0**
Overseas pooled funds	**5,273,897**	**4,686,215**
Overseas bonds	**0**	**0**
Overseas private equity, infrastructure and property funds	**775,416**	**758,419**
Non GBP cash	**11,585**	**13,435**
Total overseas assets	**6,060,898**	**5,458,069**

Currency risk – sensitivity analysis

Following analysis of historical data and expected currency movement during the financial year, in consultation with the fund's investment advisors, the Fund has determined that the following movements in the values of financial assets denominated in foreign currency are reasonably possible for the 2025-26 reporting period. This analysis assumes that all other variables, in particular interest rates, remain constant. A relevant strengthening/weakening of the pound against various currencies in which the Fund holds investments would increase/decrease the net assets available to pay benefits as follows:

Currency exposure – asset type	Asset value as at 31 March 2026 £'000	Change to net assets available to pay benefits +5.6% £'000	Change to net assets available to pay benefits (5.6%) £'000
Overseas equities	**0**	**0**	**0**
Overseas pooled funds	**5,273,897**	**5,569,236**	**4,978,559**
Overseas bonds	**0**	**0**	**0**
Overseas private equity, infrastructure and property funds	**775,416**	**818,839**	**731,992**
Non GBP cash	**11,585**	**12,234**	**10,936**
Total change in assets available	**6,060,898**	**6,400,308**	**5,721,488**

Currency exposure – asset type	Asset value as at 31 March 2025 £'000	Change to net assets available to pay benefits +5.5% £'000	Change to net assets available to pay benefits (5.5%) £'000
Overseas equities	**0**	**0**	**0**
Overseas pooled funds	**4,686,215**	**4,943,957**	**4,428,473**
Overseas bonds	0	0	0
Overseas private equity, infrastructure and property funds	**758,419**	**800,132**	**716,706**
Non GBP Cash	**13,435**	**14,174**	**12,696**
Total change in assets available	**5,458,069**	**5,758,263**	**5,157,875**

Notes to the Pension Fund Accounts continued

18b. Credit risk

Credit risk represents the risk that the counterparty to a transaction or a financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss. The market values of investments generally reflect an assessment of credit in their pricing and consequently the risk of loss is implicitly provided for in the carrying value of the Fund's financial assets and liabilities.

In essence the Fund's entire investment portfolio is exposed to some form of credit risk, with the exception of the derivatives positions, where the risk equates to the net market value of a positive derivative position. However, the selection of high quality counterparties, brokers and financial institutions minimises credit risk that may occur through the failure to settle a transaction in a timely manner.

Contractual credit risk is represented by the net payment of a receipt that remains outstanding, and the cost of replacing the derivative position in the event of a counterparty default. The residual risk is minimal due to the various insurance policies held by the exchanges to cover defaulting counterparties. Derivative contracts are also covered by margins which provide collateral against risk of default by the counterparties.

Deposits are not made with banks and financial institutions unless they are rated independently and meet the Fund's credit criteria. The Fund has also set limits as to the maximum amount that may be placed with any one financial institution. The Fund's cash was held with the following institutions:

	Rating	Balance as at 31 March 2026 £'000	Balance as at 31 March 2025 £'000
Money market funds			
Northern Trust Sterling Fund	AAAm	38	187
SSGA Liquidity Fund	AAAm	0	0
Blackrock ICS	AAAm	56,214	11,361
Blackrock USD Government Liquidity Fund	AAAm	6,020	64
Aberdeen Sterling Liquidity Fund	AAAm	17,529	10,766
Goldman Sachs Liquid Reserve Government Fund	AAAm	10,723	11,425
Aviva Investors Sterling Liquidity Fund	AAAm	52,828	49,777
Federated (PR) Short-term GBP Prime Fund	AAAm	0	0
Deutsche Managed Sterling Fund	AAAm	4,894	2,311
HSBC Global Liquidity Fund	AAAm	0	0
LGIM Liquidity Fund	AAAm	65,827	53,457
Insight Sterling Liquidity Fund	AAAm	0	156,893
		214,073	296,241
Bank deposit accounts			
NatWest SIBA	A+	1,572	1,631
		1,572	1,631
Bank current accounts			
NatWest current account	A+	50	50
NatWest current account – Euro	A+	279	11,922
NatWest current account – USD	A+	4,544	28
Northern Trust – current accounts	AA-	6,943	7,470
Barclays – DTZ client monies account	A+	6,826	2,237
		18,643	21,707
Total cash and cash equivalents		234,288	319,579

Notes to the Pension Fund Accounts continued

18c. Liquidity risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due. The Council therefore takes steps to ensure that the Fund has adequate cash resources to meet its commitments. The Council has immediate access to the Fund's money market fund and current account holdings.

Management prepares periodic cash flow forecasts to understand and manage the timing of the Fund's cash flows. The appropriate strategic level of cash balances to be held forms part of the Fund investment strategy. All financial liabilities at 31 March 2026 are due within one year.

Refinancing risk
The key risk is that the Fund will be bound to replenish a significant proportion of its Pension Fund financial instruments at a time of unfavourable interest rates. The Fund does not have any financial instruments that have a refinancing risk as part of its treasury management and investment strategies.

19. Funding Arrangements

In line with Local Government Pension Scheme (Administration) Regulations 2013 (as amended), the Fund is required to obtain an actuary's funding valuation every three years for the purpose of setting employer contribution rates for the forthcoming triennial period. The last such valuation took place as at 31 March 2025.

The key elements of the funding policy are:
– To ensure the long-term solvency of the Fund and ensure that sufficient funds are available to meet all the benefits as they fall due for payment.
– To ensure employer contribution rates are as stable as possible.
– To minimise the long term cost of the scheme by recognising the link between assets and liabilities and adopting an investment strategy that balances risk and return.
– To reflect the different characteristics of employing bodies in determining contribution rates where the administering authority considers it reasonable to do so.

At the 2025 valuation a maximum deficit recovery period of 8 years (2022 - 11 years) is used for all employers. Shorter recovery periods have been used where affordable. This will provide a buffer for future adverse experience and reduce the interest cost paid by employers. For Transferee Admission Bodies the deficit recovery period is set equal to the future working life of current employees or the remaining contract period, whichever is the shorter.

In the 2025 triennial valuation, the smoothed value of the Fund's assets at the valuation date was £8,595m and the liabilities were £8,259m. The assets therefore, represented 104% (2022 - 102%) of the Fund's accrued liabilities, allowing for future pay increases.

The primary contribution rate for the average employer, including payments to target full funding has decreased from 20.5% to 16.7% of pensionable salaries after the latest valuation. Secondary rates however differ from employer to employer depending upon their funding position and agreed deficit recovery period. The funding level for the Fund as a percentage has increased (due to good investment returns and employer contributions) although this has been partly offset by the changes in the financial assumptions used to calculate the liabilities.

The actuarial valuation has been undertaken on the projected unit method. At individual employer level the projected unit funding method has been used where there is an expectation that new employees will be admitted to the Fund. The attained age method has been used for employers who do not allow new entrants. These methods assess the costs of benefits accruing to existing members during the remaining working lifetime, allowing for future salary increases. The resulting contribution rate is adjusted to allow for any differences in the value of accrued liabilities and the market value of assets.

The 2025 actuarial assumptions were as follows:		
Valuation of assets:		Assets have been valued at a 6 month smoothed market rate
Rate of return on investments (discount rate)		4.9% p.a.
Rate of general pay increases:	Long term	3.7% p.a.
	Short term	N/A
Assumed pension increases		2.7% p.a.

Notes to the Pension Fund Accounts continued

20. Actuarial present value of promised retirement benefits

In addition to the triennial funding valuation, every year the Fund's actuary undertakes a valuation of the Fund's liabilities on an IAS 19 basis, using the same base data as the funding valuation rolled forward to the current financial year, taking account of changes in membership numbers and updating assumptions to the current year.

Actuarial present value of promised retirement benefits	31 March 2026 £m	31 March 2025 £m
Present value of promised retirement benefits	(7,430.1)	(7,057.8)
Fair value of scheme assets at bid value	9,418.2	8,424.9
Net asset	1,998.1	1,367.1

The Fund accounts do not take account of liabilities to pay pensions and other benefits in the future. Based on the latest valuation, the fair value of net assets of the Fund represents 127% of the actuarial valuation of the promised retirement benefits. Future liabilities will be funded from future contributions from employers.

The liability above being calculated on an IAS 19 basis and differs from the results of the 2025 triennial funding valuation because IAS 19 stipulates a discount rate rather than a rate which reflects a market rate.

Assumptions used:	% p.a.
Salary increase rate	3.90%
Inflation/Pensions increase rate	3.30%/2.90%
Discount rate	6.15%

In December 2018 the Court of Appeal passed the McCloud judgement, which relates to age discrimination in relation to judges and firefighters pensions. On 16 July 2020, the Government subsequently published a consultation on the proposed remedy to be applied to LGPS benefits in response to the McCloud and Sargeant cases. The remedy has now been impemented for the LGPS through the Local Government Pension Scheme (Amendment) (No. 3) Regulations 2023, which came into force on 1 October 2023 and applied retrospectively to 1 April 2014. The Government has confirmed that there will be changes to all main public sector schemes, including the LGPS, to remove this age discrimination. The remedy provides eligible members with protection for service during the remedy period by comparing their benefits under the CARE scheme to those they would have received if they had remained in the final-salary scheme. Eligible members will receive the more favourable benefits. For the 2022 valuation, as instructed by the Department of Levelling Up, Housing and Communities (DLUHC), our actuaries had assumed that the legislation will bring forward the changes as currently proposed, and had valued the benefits in line with this. A similar approach has been taken as part of the 2025 triennial valuation with estimates made for active members based on historic data. The liabilities calculated as part of the 2025 valuation reflects the fact that eligible members may receive a pension uplift at retirement if their benefits would have been higher had they continued to accrue service in the discontinued final salary scheme until 31 March 2022.

21. Current Assets	31 March 2026 £'000	31 March 2025 £'000
Debtors		
– Contributions due – employees	5,833	5,118
– Contributions due – employers	19,371	16,785
	25,204	21,903
Sundry debtors	8,268	4,472
Total debtors	**33,472**	**26,375**
Cash	**4,874**	**13,227**
Total Current Assets	**38,346**	**39,602**

Notes to the Pension Fund Accounts continued

22. Current Liabilities

	31 March 2026 £'000	31 March 2025 £'000
Creditors		
– Benefits payable	25,291	22,832
– Sundry creditors	19,199	13,524
Total current liabilities	**44,490**	**36,356**

23. Additional voluntary contributions

Scheme members have the option to make additional voluntary contributions to enhance their pension benefits. In accordance with regulation 4(1)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016, these AVC contributions are not included within the Pension Fund Accounts. These contributions are paid to the AVC provider directly by the employer and are invested separately from the Pension Fund, with either Utmost Life, Prudential Assurance Company or Standard Life Assurance Company. These amounts are included within the disclosure note figures below.

	Prudential	Prudential	Standard Life	Standard Life	Utmost Life	Utmost Life
	2025 – 2026 £'000	2024 – 2025 £'000	2025 – 2026 £'000	2024 – 2025 £'000	2025 – 2026 £'000	2024 – 2025 £'000
Value at 1 April	14,958	**12,895**	2,422	**1,918**	245	**282**
Value at 31 March	18,826	**14,958**	2,832	**2,422**	233	**245**
Contributions paid	5,010	**4,047**	808	**595**	0	**0**

24. Related Party Transactions

The Fund is required to disclose material transactions with related parties, not disclosed elsewhere, in a note to the financial statements. During the year each member of the Kent Pension Fund Committee is required to declare their interests at each meeting. None of the members of the Committee or senior officers undertook any transactions with the Fund.

As such, there are no related party transactions, other than those set out in key management personnel below, with related individuals or any entities where a related individual has control/influence or is a member of key management.

The Kent Pension Fund is administered by Kent County Council and consequently there is a strong relationship between the Council and the Pension Fund.

	2025 – 2026 £'000	2024 – 2025 £'000
KCC is the largest single employer of members of the Fund and during the year contributed:	**98,513**	**93,395**

A list of all contributing employers and amount of contributions received is included in the Fund's annual report available on the pension fund website.

Charges from KCC to the Fund in respect of pension administration, governance arrangements, investment monitoring, legal and other services.	**8,764**	**7,082**
Year end balance due to KCC arising out of transactions between Kent County Council and the Fund	**(6,077)**	(**7,445**)

The year end credit balance due to KCC mainly comprises of recharges and of VAT payable to KCC.

The key management personnel of the Fund are the Interim Corporate Director Finance as well as the Head of Pensions and Treasury. The Interim Corporate Director Finance charges a proportion of their time to the Kent Pension Fund as part of the County Council's charge for the administration of the Fund. Full details of the salary of the Interim Corporate Director Finance can be found in the main accounts of Kent County Council.

Notes to the Pension Fund Accounts continued

24. Related Party Transactions continued

Total costs charged to the Fund, including amounts recharged for the Corporate Director Finance, in respect of key management are shown below.

	31 March 2026 £'000	31 March 2025 £'000
Salary	**123**	**125**
Allowances	**12**	**12**
Other	**19**	**27**
Employer's pension contributions	**28**	**17**
Total	**182**	**181**

25. Contingent liabilities

The Fund is aware of the 'Virgin Media Ltd v NTL Pension Trustees II Ltd (and others)' case and considers that there is potential for the outcome of this case to have an impact on the Kent Pension Fund. The case affects defined benefit schemes that provided contracted-out benefits before 6 April 2016 based on meeting the reference scheme test. Where scheme rules were amended, potentially impacting benefits accrued from 6 April 1997 to 5 April 2016, schemes needed the actuary to confirm that the reference scheme test was still being met by providing written confirmation under Section 37 of the Pension Schemes Act 1993. In the Virgin Media case the judge ruled that alterations to the scheme rules were void and ineffective because of the absence of written actuarial confirmation required under Section 37 of the Pension Schemes Act 1993. The case was taken to The Court of Appeal in June 2024 and the original ruling was upheld.

The Government has since legislated to address this issue. The Pension Schemes Bill received Royal Assent on 29 April 2026 and became the Pension Schemes Act 2026. The Act includes provisions intended to allow certain historic benefit amendments to be retrospectively validated through written actuarial confirmation, subject to the conditions set out in the legislation.

The Kent Pension Fund is continuing to monitor developments and is awaiting further advice on whether the issue is relevant to the LGPS and the Fund itself. However, at this time, the Fund is hopeful that there is no impact on the scheme.

26. Contractual commitments

Outstanding capital commitments (investments) as at 31 March 2065 totalled £289m (31 March 2025: £375m).

These commitments relate to outstanding call payments due on unquoted limited partnership funds held in private equity and infrastructure parts of the portfolio. The amounts 'called' by these funds are irregular in both size and timing over the life of each fund.

27. Contingent Assets

31 admitted body employers in the Fund hold insurance bonds and 12 hold guarantees with their Employing Authority to guard against the possibility of being unable to meet their pension obligations. These bonds and guarantees are drawn in favour of the Fund and payment will only be triggered in the event of employer default.

Post Pool Reporting

The Fund's assets pooled and non-pooled are as follows:

Pooled (ACCESS)		
Fund Manager	**Asset Class**	**£'000**
Baillie Gifford	Global Equities	961,953
Schroders	UK Equities	1,106,905
Schroders	Global Equity	637,757
M&G	Global Equities	784,733
Ruffer	Absolute return	205,229
Columbia Threadneedle	Emerging Market Equities	275,461
Robeco	Emerging Market Equities	288,592
Robeco	Global Equities	703,662
Total Pooled		**4,964,291**

Non-Pooled		
Fund Manager	**Asset Class**	**£'000**
Schroders	Fixed Income	294,717
DTZ	Property	824,930
Goldman Sachs	Fixed Interest	460,554
Woodford	UK Equities	2,190
BMO (Pyrford)	Absolute Return	264,885
CQS	Fixed Income	295,942
Fidelity	Pooled Property	43,730
DTZ (formerly Kames)	Pooled Property	27,225
Impax	Global Equities	73,647
Insight	Equity Protection	767,310
Partners Group	Infrastructure	420,883
Harbourvest	Private Equity	354,533
M&G	Pooled Property	32,845
M&G AO	Fixed Income	310,903
YFM	Private Equity	80,979
Kent County Council Investment Team	Cash	204,923
Total Non-Pooled		**4,460,196**
Grand Total		**9,424,486**

For 2025-26 the ongoing costs of the investments broken down between pooled and non-pooled assets are detailed below:

Pool Set up Costs	**2025–2026 £'000**	Cumulative £'000	ACCESS
Strategic & Technical Advice	**0**	56	614
Legal	**0**	37	409
Project Management	**0**	53	588
ACCESS Support Unit	**0**	0	3
Other	**0**	19	210
Total	**0**	**166**	**1,824**
Transition costs		**608**	

The Pooled ACS was operational in 2017-18 and all set up costs were incurred prior to that, so no costs attributable to set up for 2025-26.

*1/11th of total ACCESS costs

The fund's costs and net of fee savings since inception of the pooling project are as follows:

	2015–16 £'000	2016–17 £'000	2017–18 £'000	2018–19 £'000	2019–20 £'000	2020–21 £'000	2021–22 £'000	2022–23 £'000	2023–24 £'000	**2024–25 £'000**	2025-26 £'000	**Cumulative £'000**
Set up costs	6	80	80	–	–	–	–	–	–	**–**	-	166
Pooling ongoing costs				137	87	82	91	115	133	**229**	179	1,053
Transition costs		–		363	–	245	–	–	–	**2,268**	0	2,876
Fee savings	(26)	242	776	1,436	1,596	3,968	4,774	4,872	5,372	**5,720**	5,911	34,642
Net savings	(32)	162	696	936	1,509	3,641	4,683	4,757	5,239	**3,223**	5,732	30,547

*Of the above total cumulative savings of £30.5m, £9.9m relates to investments awaiting pooling.

The investment managers are paid ad valorem fees on the assets under their management. As a result, the fees in absolute terms goes up as the investments appreciate in value.

For 2025-26, the ongoing costs of the investments broken down between pooled and non-pooled assets are detailed below. These costs have been compiled from information provided by the fund managers who have signed up to the LGA cost transparency code.

	Asset Pool Direct £'000	**Asset Pool** Indirect £'000	**Asset Pool** Total £'000	**Non Asset Pool** Direct £'000	**Non Asset Pool** Indirect £'000	**Non Asset Pool** Total £'000	Total £'000
FM Fees	–	14,779.03	14,779.03	4,207.33	15,595.55	19,802.88	34,581.90
Pool shared (ASU)	179.19	–	179.19	–	–	–	179.19
Transaction costs	–	4,069.81	4,069.81	13,300.93	1,249.57	14,550.50	18,620.31
Custody	–	–	–	54.89	–	54.89	54.89
Other – pooled fund costs	–	570.74	570.74	–	3,086.23	3,086.23	3,656.97
Total	**179.19**	**14,419.57**	**19,598.76**	**17,563.15**	**19,931.35**	**37,494.50**	**57,038.37**

Asset Allocation and UK Investment Exposure:

£m Asset values as at 31 March 2026	Pooled	Under Pool Management	Not Pooled	Total
UK Listed Equities	1,392.33	–	16.39	1,408.72
UK Government Bonds	-	–	0.53	0.53
UK Infrastructure	–	–	47.90	47.90
UK Private Equity	–	–	91.70	91.70
UK Property	–	–	917.34	917.34

£m Asset values as at 31 March 2026	Pooled	Under Pool Management	Not Pooled	Total
Equities	4,759.06	–	75.84	4,834.90
Bonds	-	–	1,362.12	1,362.12
Diversified Growth Funds	205.23	–	264.89	470.11
Equity Protection	–	–	767.31	767.31
Property	–	–	928.73	28.73
Private Equity	–	–	435.51	435.51
Infrastructure	–	–	420.88	420.88
Cash	–	–	204.92	204.92
Grand Total	**4,964.29**	**–**	**4,460.20**	**9,424.49**

Independent Auditor's report

Independent auditor's statement to the members of Kent County Council on the pension fund financial statements of Kent Pension Fund included within the pension fund annual report.

Opinion

We have examined the pension fund financial statements of Kent Pension Fund (the 'pension fund') for the year ended 31 March 2025 included within the pension fund annual report, which comprise the Fund Account, the Net Assets Statement, and the notes to the financial statements, including the summary of significant accounting policies.

In our opinion, the Kent Pension Fund financial statements included within the pension fund annual report are consistent, in all material respects, with the audited pension fund financial statements of Kent County Council for the year ended 31 March 2025 and comply with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

We have not considered the effects of any events between 6 November 2025, being the date we signed our auditor's report on the audited financial statements of Kent County Council, and the date of this statement.

Respective responsibilities of the Acting Corporate Director of Finance and the auditor

As explained more fully in the interim Corporate Director Finance's Responsibilities, the interim Corporate Director Finance is responsible for the preparation of the pension fund's financial statements in accordance with applicable law and the CIPFA/ LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Our responsibility is to state to the members of Kent County Council our opinion on the consistency of the pension fund financial statements within the pension fund annual report with the financial statements of Kent County Council.

We also read the other information contained in the pension fund annual report and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the pension fund financial statements. The other information comprises the information included in the pension fund annual report, other than the pension fund financial statements and our auditor's statement thereon.

We conducted our work in accordance with Auditor Guidance Note 07 – Auditor Reporting, issued by the National Audit Office. Our report on the financial statements of Kent County Council describes the basis of our opinion on those financial statements.

Use of this auditor's statement

This statement is made solely to the members of Kent County Council as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our work has been undertaken so that we might state to the members of Kent County Council those matters we are required to state to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kent County Council and the members of Kent County Council. as a body, for our work, for this statement, or for the opinions we have formed.

Parris Williams,
Key Audit Partner for and on behalf of
Grant Thornton UK LLP, Local Auditor

10 November 2025

ACCESS

Effective • Collective • Investment

Annual Report 2025/26



Foreword

As will be widely known, in April 2025, Government Ministers took decisions which set in train processes ultimately leading to the reduction in the number of Local Government Pension Scheme (LGPS) investment pools from eight to six.

In practice this meant that each of the eleven ACCESS Authorities were invited to select a new pool in which to participate from April 2026. Consequently, 2025/26 in many ways marked the last full year of ACCESS activities under our original business model prior to the commencement of the new arrangements.

Whilst there is an inevitable sense of disappointment that our proposals did not find Ministerial support, this is coupled with a sense of real pride in what ACCESS did manage to achieve during the last 10 years. Our successes included:

- the establishment of an Authorised Contractual Scheme (ACS) operated by Waystone, totalling £32bn of actively listed assets across 31 sub funds as at 31 March 2026;
- active listed asset performance since inception to 31 March 2026 of 9.3% compared to a benchmark of 8.7%;
- a groundbreaking passive listed assets mandate with UBS managing £14bn;
- listed asset investment management fee savings assessed by ClearGlass as £49m (18bps; 7th percentile) based on 2024 CTi data;
- a range of non-listed asset offerings in real estate, infrastructure, timber and private debt totalling £7bn; and
- signatory status to the UK Stewardship code achieved in 2025

Of course, the above also helps to explain the status ACCESS has held as the largest LGPS pool.

Working towards the new arrangements has dominated much of the last year and placed additional specific demands on LGPS officers at all Authorities which will continue for the foreseeable future. Underpinning this has been the ACCESS Support Unit (ASU), whose work formally ends in September 2026 following a six-month overlap with the new pools to facilitate the initial months of the new business models.

On behalf of the ACCESS Joint Committee, I would therefore like to place on record my thanks and appreciation for the unique contribution of the ASU since its commencement in 2018 at the very heart of our pool. In doing so I also want to recognise the hard work and dedication of the partner-funds' LGPS officers, not only throughout the challenging last 12 months, but since ACCESS's inception in early 2016.

ACCESS has collaboration in its DNA and we have been fortunate to have had the support and contribution of our legal advisers Squire Patton Boggs and investment consultants Hymans Robertson, who have been with us throughout our journey, along with insurance advisers Price Forbes and web designers Creative Sponge. We have also benefitted from our partnerships with Apex on non-listed assets, Tavistock & MHP on communications and PIRC & Minerva on Responsible Investment. Central to our offer has been Waystone, our ACS operator and the active investment managers it has appointed on our behalf, along with UBS's passive mandates.

In closing I must pay tribute to the all Councillors who have served so diligently on the ACCESS Joint Committee it has been my privilege to Chair following in the footsteps of Hampshire's Cllr Mark Kemp-Gee whom we sadly lost in August 2026. Cllr Kemp-Gee had been part of ACCESS since its 2016 formation, and as our longest serving Chairman will be greatly missed.

The dialogue and engagement at the Joint Committee, initially chaired by Suffolk's Cllr Andrew Reid, has consistently embodied the collective principles that shaped our pool. It has been the combined efforts of the Joint Committee, as well as the eleven s101 Committees and Local Pension Boards, whose Members observed our meetings, that have enshrined fiduciary duty and democratic accountability in the oversight of our partner-funds' LGPS assets. I am confident that our legacy of collaboration will form the basis of the success for the next chapter of LGPS asset pooling.

Cllr Susan Barker
Chairman of the ACCESS Joint Committee
Chairman of the Essex Pension Fund Strategy Board



At a glance

£14.2bn
passively managed with UBS

£3.3bn
infrastructure, timber & private debt

£3.8bn
in real estate

£32.1bn
actively managed in ACS sub-funds

£53.4 bn
74% of assets within pooled arrangement

Assets

Performance

+9.3%
investment return
on active listed assets since inception

+8.7%
benchmark
on active listed assets since inception

+0.6%
outperformance
on active listed assets since inception

Costs & savings since inception

£202.0m
gross savings

£53.3m
costs

£148.7m
net savings

People & employers

3,400
employers

1.3
million people

Cost and savings

The table below summarises the financial position for 2025/26 along with the cumulative position since the commencement of ACCESS activity in early 2016.

A budget for ongoing operational costs is set by the Joint Committee and is financed equally by each of the eleven Authorities. 2025/26 saw an underspend.

£	2025/26		2016 - 2026	
	Actual in year £m	Budget in year £m	Actual cumulative £m	Budget cumulative £m
Set up costs	-	-	1.824	1.400
Transition costs	-	-	3.338	6.907
Ongoing operational costs	1.971	3.327	10.434	13.895
Operator & Depositary Costs	9.572	6.427	37.755	39.263
Total costs	11.543	9.754	53.351	61.465
Pool fee savings	36.910	22.500	202.043	129.350
Net savings realised	25.367	12.746	148.692	67.885

Operator and depositary fees are payable by each Authority in relation to assets invested within the ACS established by Waystone as pool operator.

The 2025/26 fee savings have been calculated using the CIPFA price variance methodology and based upon the asset average asset values over the year. This approach highlights the combined level of investment fee savings, across all ACCESS Authorities stemming from reduced charges.

In summary, throughout its lifetime ACCESS demonstrated excellent value for money whilst delivering a level savings in excess of those envisaged at the Pool's formation.



Environment, Social and Governance (ESG) and Responsible Investment (RI)

The ACCESS Authorities believe in making long term sustainable investments whilst integrating environmental and social risk considerations. Promoting good governance and stewardship.

Whilst the participating authorities have an overriding fiduciary and public law duty to act in the best interest long term interests of their LGPS stakeholders to achieve the best financial returns with an appropriate level of risk, they also recognise the importance of committing to responsible investment alongside financial factors in the investment decision making process.

The ACCESS voting guidelines set out the principles of good corporate governance. During the year votes took place at a total of 12,568 meetings on 148,773 resolutions.

Closing statement

The developments within the LGPS pooling landscape arising out of the *Fit for the Future* Review have been fundamental and it is a matter of public record that ACCESS was extremely disappointed that Government did not support our February 2025 proposal to build an investment management company regulated by the Financial Conduct Authority (FCA). Almost all 2025/26 activity was a consequence of that Ministerial decision on 9 April 2025.

The early months of the year saw both dialogue with Government on their decision in addition to initial exploration with other pools around the potential for collective merger. Ultimately, dialogue throughout the LGPS has led to an outcome that sees 11 ACCESS Authorities, along with 10 from Brunel join four other pools. This prompted our launch of "*Project Connect"* to facilitate and support the ACCESS Authorities transition to their chosen target pools of Border to Coast and LGPS Central.

Working with stakeholders including the two target pools and ACS operator Waystone with depositary Northern Trust, an approach to a measured transition of active listed assets has been identified that will both appropriately mitigate risk and enable compliance with 2026 LGPS Investment Pooling Regulations. Arrangements for target pool oversight of passive and non-listed assets have also been facilitated.

Although the outcome of *Fit for the Future* may not have been our preference, that does not diminish contribution ACCESS has made to the sector. The eleven like-minded Authorities that came together in early 2016 already had a number of established commonalties which formed the foundations upon which ACCESS was built. For a community that was already well connected, LGPS investment pooling magnetised dialogue which enabled Authorities to share best practice, test boundaries and develop far reaching solutions. In her foreword Cllr Barker rightly lists ACCESS achievements.

All of this work has drawn on the strong ethos of collaboration throughout the LGPS and investment management industry. In turn this also now provides the basis for the next chapter of LGPS investment pooling which I am confident will be as groundbreaking and successful as the first ten years.

Throughout that time, I have been very fortunate to work alongside fantastic people. Across the ACCESS Authorities officers who work day-to-day on the LGPS have continually demonstrated a collaborative mindset and a willingness to share expertise and promote learning.

The Officer Working Group (supplemented by a number of sub-groups to work through detail and complete particular projects) brought together specialists to act as the engine room of our pool. It has been in this area that LGPS experts from each of the eleven Authorities came together to provide insight, constructive challenge and thought leadership necessary to develop and finalise the key ingredients for a successful pool.

Individual officers Samantha Andrews (Essex), Russell Wood (East Sussex), Andrew Boutflower (Hampshire), Sharon Tan (Suffolk) & Rachel Wood (West Sussex) have played key roles as Technical Leads.

Kent's Democratic Services team, led by Joel Cook have supported our Joint Committee since its formation in 2017. At different times, Authorities have stepped forward to undertaken specific roles, including Kent, Hertfordshire, Suffolk, Essex and Hampshire to spearhead procurements.

Section 151 officers, currently chaired by Ian Gutsell (East Sussex) have been vital in creating and shaping the strategic space for what has been an incredible journey. Elected Members have represented their respective Funds with passion and embraced open engagement in pursuit of common objectives.

As a pool, we have been benefitted from a strategic partnership with Waystone, under the leadership of CEO Karl Midl. As our ACS Operator Waystone appointed Northern Trust as Depositary and investment managers for active listed mandates. UBS were jointly procured by the Authorities for passive listed assets. In addition to the organisations highlighted by the Chairman, I must single out John Wright and the team at Hymans Robertson along with Kirsty McClean, Clifford Sims and colleagues at Squire Patton Boggs have provided us with investment and legal advice at each stage of our development – both were essential.

Ultimately, I must pay a particular tribute to my colleagues who have been part of the ACCESS Support Unit with whom it has been my privilege to work: Mark Paget, Dawn Butler, Paul Tysoe, Sallie Wilson, Alistair Coyle, Richard Smith, Rawda Ali & Isaac McHugh. It has been their insight, hard work and endless dedication that made everything possible and to whom I remain indebted.

Thank you.

Kevin McDonald
Director – ACCESS Support Unit



Kent Pension Fund
Report and Accounts

For the year ended 31 March 2025

Kent Pension Fund

Delivering an outstanding service to our customers

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