

Kent Pension Fund Business Plan

Action No.	Description	Accountable Officer(s)	Actual 2020-21 activity at February 2021	Proposed 2021-22 activity
1. Investment Strategy				
1.1	Implement the revised asset allocation agreed by Superannuation Fund Committee on 9 February 2018.	Zena Cooke / Alison Mings	<p>Manager appointed to implement the equity downside protection programme.</p> <p>Passive equity fund holdings redeemed and replaced by synthetic equity exposure</p> <p>Protection implemented in December 2020 for global equities.</p> <p>Final arrangements for the protection of UK equities to be confirmed by March 2021</p> <p>Continued funding of private equity / infrastructure investments</p>	Finalise monitoring and reporting for equity protection programme
1.2.1	Strategic review of asset allocation taking account of results of the 2019 valuation	Zena Cooke / Alison Mings / Sangeeta Surana		Engage investment consultant to undertake review Q1, report outcome to June committee
1.2.2	Implement the agreed recommendations of the strategic asset allocation review	Zena Cooke / Alison Mings / Sangeeta Surana		Engage investment consultant to advise on new investment options including ACCESS funds, and selection of managers
1.3	Manage the transition of investments including to the ACCESS pooled funds	Alison Mings / Sangeeta Surana	Global equity investments transitioned to ACCESS platform at the end of November 2020.	<p>Transition fixed Income sub-fund investments as already agreed to the ACCESS platform</p> <p>Implement other transitions arising from recommendations of strategic asset allocation review</p>
1.4	Monitoring the performance of investment managers and funds.	Zena Cooke / Alison Mings / Sangeeta Surana	<p>Investment Managers attending quarterly committee meetings</p> <p>Monthly flash reports, quarterly fund performance reports</p> <p>Investment consultant attending every committee meeting.</p> <p>Quarterly manager reviews. From September 2020 covered all managers.</p> <p>Asset allocation Rebalancing Framework agreed September 2020</p>	<p>Investment Managers attending quarterly committee meetings</p> <p>Monthly flash reports, quarterly fund performance reports</p> <p>Investment consultant attending every committee meeting.</p> <p>Quarterly manager reviews.</p> <p>Asset allocation review at every meeting against Rebalancing Framework</p>
1.5	Develop enhanced Responsible Investment (RI) / Environmental Social and Governance (ESG) policy / reporting	Alison Mings Sangeeta Surana Katherine Gray	Policy reviewed at November committee meeting and RI working group established to consider further enhancement and implementation. Report to the March 2021 committee meeting	Ongoing - RI working group monthly meetings, recommendations to the committee, training for the committee on RI developments
1.6	Investment Consultant procurement	Sangeeta Surana Alison Mings	Procurement in hand for long term contract for investment advice to the committee	Ongoing management of Investment consultant contract
1.7	Update investment strategy statement (ISS) reflecting CIPFA guidance and best practice	Alison Mings Sangeeta Surana	ISS updated.	ISS to be updated with assistance from the investment consultant reflecting revised strategic asset allocation
1.8	Custody contract	Sangeeta Surana Katherine Gray	Current contract extended for 9 months with agreement from KCC procurement team	Complete procurement of a long-term custody contract Q2 and manage transition to new provider

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			ACCESS collaborative procurement using LGPS Framework commenced	if required.

2. ACCESS Pool

2.1	Support the Chairman in his role on the Joint Committee (JC).	Alison Mings	Meeting 6 times a year, Next JC meeting 8 March 2021	Quarterly meetings
	Membership of the S151 group	Zena Cooke	Meetings before the JC meetings	Quarterly meetings before the Joint Committee meetings
2.2	Membership of the Officer working group (OWG) and other working groups to support the progress of the pooling agenda	Alison Mings Sangeeta Surana Katherine Gray	Membership of: Active listed assets sub-group, Reporting sub-group, Non-listed assets sub-group, RI task and finish group, Custody procurement task and finish group, Investor user group	Continue to support the progression of pooling in ACCESS through participation in working groups as required. Most of the current working groups are expected to continue in 2021-22
2.3	Support the role of host authority and Access Support Unit (ASU)	Alison Mings	Kent Democratic Services providing clerking support to the JC	Kent Democratic Services providing clerking support to the JC
2.4	Ensure the Superannuation Fund Committee and Board are kept fully informed on ACCESS issues.	Alison Mings	Quarterly updates for the board and committee Presentation by ACCESS Interim Director to members on 5 February	Quarterly updates for the board and committee

3. Governance and employer matters

3.1	Support the Superannuation Fund Committee and the Pension Board members to effectively undertake their roles and ensure that appropriate training is available.	Zena Cooke / Alison Mings	Role of Business Partner being covered by Alison Mings. Barnett Waddingham commenced review of governance, KCC finance as well as members' training needs. Training day 5 February 2021 Agree training plan aligned with the Fund's policy	Put in place permanent resources and agreed management structure within the KCC finance function Implement updated training plan See actions 3.7 and 3.8
3.2	Prepare the Fund's annual accounts and report including compliance with cost transparency requirements and with revised reporting guidelines	Sangeeta Surana / Katherine Gray	2020 Accounts signed off by Governance & Audit Committee at its October meeting. Committee approved the report November 2020. Final audit sign off end November. Report and Accounts published end November.	Complete accounts and report in line with timetable agreed with KCC Chief Accountant and external auditors. Q2 – Q3.
3.3	Response to consultations and regulation changes	Alison Mings / Barbara Cheatle		
3.3.1	Investment Guidance	Alison Mings	Update deferred on LGPS investment guidance following outcome of the Supreme Court judgement	
3.3.2	Employer flexibilities	Alison Mings	New regulations came into force in September 2020, awaiting guidance. Funding Strategy Statement to be updated on receipt of the MHCLG guidance.	Work with the Fund Actuary on implementing changes re exiting employers.
3.3.3	McCloud remedy	Barbara Cheatle	Consultation response submitted and awaiting guidance.	Implement changes required, see action 4.7

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3.3.4	Public Sector Exit Payments	Barbara Cheatle	Restrictions on Public Sector payments legislation passed into law. Awaiting outcome of judicial reviews. Responded to consultation on changes to £95k exit payments cap and awaiting guidance re LGPS regulations.	Implement changes required, see action 4.8
3.4	Actuarial triennial valuation	Fund actuary / Alison Mings / Steve Tagg / Barbara Cheatle	Employers paying contributions from 1 April 2020 based on 2019 valuation	Planning for 31 March 2022 valuation
3.5	Update Funding strategy statement	Alison Mings / Steve Tagg	FSS updated taking account of the valuation results, awaiting advice re new employer flexibilities	FSS to be updated taking account of advice from Governance consultant
3.6	Fund actuary contract	Alison Mings / Steve Tagg		Ongoing management of actuary contract
3.7	Review governance arrangements considering internal audit recommendations.	Zena Cooke / Alison Mings	Barnett Waddingham engaged to undertake the review. Review commenced Q3, continuing Q4. Training day 5 Feb.	Complete review and implement recommendations
3.8	Undertake review of finance resources considering internal audit recommendations.	Zena Cooke / Alison Mings	Barnett Waddingham engaged to undertake the review. Review commenced Q3, report due Q4	Implement recommendations Q1
3.9	Review and update finance procedures and documentation considering internal audit recommendations	Treasury and Investments team	Completed review and update	

4. Administration

4.1	Roll out i-Connect employer self service	Barbara Cheatle	Progress on roll out impacted by Covid-19 Rollout to large payrolls, including KCC and Medway in hand. Introduced to other large employers, such as district councils, colleges etc via webinars in preparation for extension of roll out Progress made on the data cleansing part of project and possible use of dedicated resource	Further rollout planned
4.2	Preparation of annual benefit illustrations for despatch to members by the statutory deadline	Barbara Cheatle	Ongoing	Ongoing
4.3	Reduce the backlog of unprocessed leaver cases	Barbara Cheatle	External support engaged for to further reduce backlog cases.	
4.4	Follow up GMP reconciliation exercise	Barbara Cheatle	Stage 2 of reconciliation to be completed. Stage 3 of project will require Procurement of a company using the LGPS framework	HMRC have confirmed errors in previous information supplied for GMP reconciliation and so rework required by external company
4.5	Develop plan for introducing member Self Service (MSS)	Barbara Cheatle	MSS available and communicated to various categories of scheme members throughout the year. MSS in UAT environment	Planned roll out to members
4.6	Development of workflow system	Barbara Cheatle	Revision of workflow	.

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			introduced to staff via webinars from Heywood and internal staff. Internal processes changed and auto allocation of tasks introduced at beginning of June	
4.7	McCloud remedy project - changes to LGPS following the McCloud judgement	Barbara Cheatle	see action 3.3.3 above Set up project for requesting data from employers and recalculation of benefits where necessary, changes to processes, communications etc	Project to commence once remedy agreed
4.8	Exit payments £95k cap	Barbara Cheatle	see action 3.3.4 above. Will require a significant communication exercise and changes to processes etc Effective date to be advised but we can expect an influx of retirements involving employer costs before this date	Implementation of changes per LGPS regulations and guidance