

From: Chairman Kent Pension Board
Interim Corporate Director of Finance

To: Pension Fund Committee – 3 December 2024

Subject: Pension Board update

Classification: Unrestricted

Summary:

This report summarises the Board meeting that took place on 21 November 2024.

Recommendation:

The Pension Fund Committee is recommended to note this update from Pension Board.

FOR INFORMATION

1. Background

1.1 This briefing note has been prepared as a summary of the discussions at the meeting of the Pension Board on 21 November 2024.

2. Pension Board – 21 November 2024

2.1 At its meeting on 21 November 2024 the Kent Pension Board considered a varied agenda, and a number of the key items are considered below.

3. Detailed update on Pensions administration including a review of the Key Performance Indicators.

3.1. The Pensions Administration manager updated the Board on the key issues that were impacting the Administration team, and the plans for the future development of the service.

3.2. The Pensions Administration manager highlighted the work that the team were doing across all aspects of administration, including communications, working with employers, embedding the “digital by default” approach. She commented on substantial progress that had been made, and the Board asked a number of questions on this. The Board was grateful for the detailed responses received and commended the team for the work that had been undertaken in the last year.

3.3. Mrs Chambers also updated the Board on the ongoing review of the Job Descriptions of the Administration team and confirmed that this was being undertaken to revise and refresh as some were many years old. The process was likely to result in some posts being assessed at a higher grade. Mr Buckland

confirmed that it was important to ensure the greater complexity in the roles was recognised.

4. Update on the work of the Pension Fund Committee

- 4.1. The Head of Pensions and Treasury (in the absence of the Chairman of the Committee) updated the Board on the work of the Committee in recent meetings. He specifically covered the ongoing review of the Fund's Investment asset classes, and that the current focus was equity. He noted developments within ACCESS and commented on the upcoming Joint Committee meeting.
- 4.2. He continued to discuss the Government's Pensions review and its potential impact on ACCESS. It was also noted that the Committee had considered an updated allocation to Equity and Bonds with a focus on improving diversification of returns and increase pooling.

5. Investment and RI update

- 5.1. The Pension Fund Investment and Treasury Manager presented an update on the work on implementing the recently agreed Investment strategy and the subsequent Intra-asset class review. He noted that progress had been made and that the ongoing review of equity and fixed income would be presented to the Committee at the December meeting.

6. Risk Register

- 6.1 The Board reviewed the revised Risk Register and noted the improved presentation. This is being considered elsewhere on today's agenda, and the Board were pleased the Risk Register had been reviewed, updated and were keen to ensure that the full document is received at every meeting.
- 6.2 The Chairman asked whether to Council's proposed restructure would impact the management of the Fund. Mr Buckland noted that there were initial proposals that could impact the Fund although he was comfortable that it was likely these could be revised as part of the ongoing consultation. The Board expressed their concern and asked that formally record this.

7. Employer Governance Matters

- 7.1 Senior Accountant presented the report which covered the ongoing issues with back-dated employer admission agreements, and the work that was in progress to address this and manage the impact on the Fund. He also noted the performance in terms of contributions being received in a timely way from the Fund's employers. Mr Tagg also noted the number of admission agreements that the Committee has previously agreed, along with an update on the work ongoing in preparing for the 2025 Actuarial Valuation.

8. Projects

- 8.1 The Senior Pensions Programme Manager updated the Board on a number of ongoing projects across all aspect of the Fund. She highlighted the My Pensions Online launch and the number of registrations the Fund had seen since the Annual benefit Statements had been issued. She also noted the improvements in the telephony systems and the Board welcomed the positive performance.
- 8.2 Mrs Green also noted that the initial results of eth CEM benchmarking exercise has been received and officers were meeting with CEM ahead of finalising the results. CEM would present the update to the Board in February 2025.

9. Government Pensions Review

- 9.1 The Head of Pensions and Treasury presented the latest on the Government review, and some of the detail contained within the consultation. The Board considered the proposals and voiced some concern around a number of the potential challenges. Mr Buckland confirmed that he would continue to update the Board as to progress in this fast-moving area.

Nick Buckland, Head of Pensions and Treasury

T: 03000 416290

E: nick.buckland@kent.gov.uk

November 2024
