

## KENT COUNTY COUNCIL

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### PENSION BOARD

MINUTES of a meeting of the Pension Board held in the Council Chamber, Sessions House, County Hall, Maidstone on Tuesday, 31 March 2026.

PRESENT: Cllr R Carnac, Mr P Chamberlain, Mr B Fullbrook, Mr M Fraser Moat, Mrs A Mings, Mr J Parsons and Mr M Trebilcock

ALSO PRESENT: Mrs Emberson (Chair of the Pension Fund Committee)

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

### UNRESTRICTED ITEMS

#### **30. Election of Chair for the Meeting**

*(Item 1)*

RESOLVED that Mr Parsons be elected Chair for the meeting.

#### **31. Apologies and Substitutes**

*(Item 2)*

Apologies were received from Mr Ward and Ms King.

#### **32. Declarations of Interest by Board members on items on the agenda for this meeting**

*(Item 3)*

There were no declarations of interest.

#### **33. Minutes of the meeting held on 25 November 2026**

*(Item 4)*

RESOLVED that the minutes of the meeting held on 25 November 2026 be signed by the Chair as a correct record.

#### **34. Date of next meeting**

*(Item 5)*

It was noted that the next meeting of the Board would be held on 4 June 2026.

#### **35. Pension Fund Committee Update**

*(Item 6)*

1. Mr Buckland introduced the item and covered the following points:
  - a. Mr Buckland and Mrs Emberson (Committee Chair) attended the last ACCESS Joint Committee meeting on 23 March and then attended a Borders to Coast Pension Partnership (BCPP) meeting the following day as guests.
  - b. A significant amount of work had been undertaken to meet the Government's asset pooling deadline. The Fund would officially join BCPP on 1 April.
  - c. At the last meeting, the Committee considered a number of items, including:
    - i. The actuary actuarial valuation, which would be formally signed off by the 1 April deadline.
    - ii. A presentation from Barnett Waddingham on its governance review of the Fund.
    - iii. The impact of local government reorganisation (LGR) on the administration of the Fund.
2. RESOLVED to note the verbal update.

### **36. Pensions Administration**

*(Item 7)*

1. Mrs Chambers introduced the report for the period from 1 October 2025 to 31 December 2025.
2. During consideration of the item the following points were discussed:
  - a. Overall performance was good, and there had been a major reduction in incomplete casework.
  - b. There would continue to be a focus on training and recruitment.
  - c. The McCloud blackout period would pause certain casework (such as aggregations and concurrent combinings), and create a backlog of cases. It was expected that the blackout could cease at the end of April, and a team would be assigned to work through the backlog and prioritise urgent cases such as members who retired or transferred out of the scheme.
3. RESOLVED to note the report.

### **37. Investments Update**

*(Item 8)*

1. Mr Steensel provided the update that looked at the Fund's performance up to 31 January 2026. He advised that the asset allocation of fixed income was

currently outside of the parameters of the investment strategy however rebalancing was not recommended due to the uncertainty generated from the imminent transition to BCPP.

2. The following points arose from Members' comments and questions:
  - a. In June the Committee would consider the draft strategic asset allocation and Investment Strategy Statement (ISS), which would then go for consultation with stakeholders. Following the consultation, the Committee would be asked to approve the ISS at its September meeting in preparation for publication by the 30 September 2026 deadline.
  - b. Due to delays in the Pension's Bill's passage through parliament, no finalised guidance had been issued regarding the ISS, therefore administering authorities were likely to publish simple, high-level ISSs to reduce the chance non-compliance with the bill when it became law.
  - c. The Bill was expected to require a commitment to greater UK investment.
  - d. The approach taken by the Fund was consistent with that taken by other LGPS funds.
  - e. The Board would be engaged and have oversight throughout the review period.
  
3. RESOLVED to note the report.

### **38. Members Training Update**

*(Item 9)*

1. Mrs Green introduced the update during which she covered the following points:
  - a. The knowledge assessment was undertaken during the summer of 2025 and was hosted by Hymans Robertson.
  - b. Following the assessment, training had been provided on the two lowest scoring areas.
  - c. The 2026 training plan would prioritise the lowest scoring areas.
  - d. The regulatory changes impacting the LGPS that were expected in 2026 would outline the statutory requirements for member training.
  - e. The Pensions Regulator's e-learning Toolkit was available to all Committee and Board members. All members were expected to complete the induction material and the Toolkit within 6 months of joining the Board or Committee.
  
2. RESOLVED to note the update.

### **39. Governance Review by Barnett Waddingham**

*(Item 10)*

1. Mr Buckland introduced the item that was intended to provide an indication of how well prepared the Fund was for the Government's Fit for the Future review proposals of the LGPS.
  
2. Ms Murray (Barnett Waddingham) provided a presentation detailing the findings of the governance review, which included a list of recommendations

that were agreed by the Committee when it last met. During the presentation the following points were covered:

- a. The regulations from the Pension Schemes Bill were expected to be backdated to 1 April 2026. They were expected to require the appointment of a Senior LGPS Officer and an Independent Person within six months. Early planning and preparation for the recruitment to these posts was recommended.
  - b. The regulations were expected to require a number of policies and strategies; however, the Fund was in a strong position as it already had these in place. It was recommended that the Fund's strategies and policies be reviewed when the regulations were published to ensure compliance.
  - c. The administering authority would need to develop an action plan to respond to Barnett Waddingham's recommendations.
3. The following points arose during consideration of the item:
- a. It was unsatisfactory that the publication of guidance had been delayed but the implementation date of the legislation had remained unchanged.
  - b. The Independent Person position would be a paid position that was funded through the Pension Fund. It might be advantageous if an organisation could be appointed to the post, however this would be determined when the guidance was released.
4. RESOLVED to note the findings of the review.

#### **40. Employer Governance Matters**

*(Item 11)*

1. Mr Tagg introduced the report that provided an update on Fund employers' governance and administration matters for the period 1 October 2025 to 31 December 2025.
2. During consideration of the item, the following points were discussed:
  - a. The triennial valuation had been completed and signed 30 March 2026. It would be published on the website on 1 April 2026.
  - b. There had been some negotiation with employers regarding contribution rates. This dialogue had led to the rates being reduced in some cases.
  - c. The process had involved a significant communication exercise with employers and thanks were offered to the team for their effort in successfully completing the valuation.
3. RESOLVED to note the report.

#### **41. Fund Governance**

*(Item 12)*

1. Mrs Green introduced the item and covered the following points:
  - a. The business plan had been updated and now included actions relating to local government re-organisation (LGR), investment pooling, the pensions dashboard and regulatory changes.

- b. There was a broad range of regulatory changes that would impact the Fund however, full guidance had not yet been released.
  - c. Mr Trebilcock had been appointed as an Independent Member of the Board, following the successful completion of a competitive selection process.
  - d. The Board welcomed Mr Trebilcock, who would be considered for the role of Chair at the next Board meeting.
2. RESOLVED to note the paper including the Fund's updated:
    - a. Business Plan and budget for 2026/27 to 2028/29.
    - b. Data Quality Policy
    - c. Data Matching Criteria and Policy
    - d. Communications Policy

#### **42. Funding Strategy Statement**

*(Item 13)*

1. Mr Tagg presented the draft Funding Strategy Statement (FSS) that had been reviewed as part of the triennial valuation exercise. He added that there were two key changes following the consultation process:
  - a. No employer would receive a reduction (or an increase) of their total contribution rate of more than 2.0% per annum. This had previously been set at 1.0% per annum.
  - b. Where there was a surplus, the secondary contribution may include an adjustment to run off the surplus over a maximum period of 8 years. This was previously set at 20 years but amended to 8 years following responses received to the consultation.
2. RESOLVED to note the report, including the updated Funding Strategy Statement at Appendix One and the Consultation Report at Appendix Two.

#### **43. Projects Update**

*(Item 14)*

1. Mrs Green introduced the report and highlighted the progress that had been made on all the key projects being undertaken across the Fund. The following points were covered:
  - a. Planning work was underway to procure a new pensions administration system in 2028. Early preparation was important to ensure a successful transfer.
  - b. The Fund was ready for the national go-live of the Pensions Dashboard however, no announcement had yet been made by Ministers about when the notice period would begin.
  - c. A new system had streamlined month end financial reconciliations, and this had made them less susceptible to human error.
2. RESOLVED to note the report.

#### **44. Local Government Re-organisation Paper**

*(Item 15)*

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

- a. LGR was planned to take place in 2028 for Kent and Medway. The Government was expected to announce which option would be progressed before its summer recess on 16 July.
  - b. Without pre-judging the Government's decision, Officers have begun to think about how the Fund would continue to be administered, and how to ensure its members did not notice a difference in the service they received.
  - c. In February the Committee had an away day during which they heard about how the Fund could be administered if LGR progressed to create more than one unitary authority.
  - d. The Fund could be administered by one of the new unitary authorities, or a single purpose pensions authority could be set up if there was to be more than one unitary authority for Kent and Medway.
  - e. Officers have had early discussions with representatives from the Kent Council Chief Executives Group to incorporate consideration of the Fund into the planning for LGR.
2. During consideration of the item, the following points were discussed:
- a. LGR would impact every asset pool as many of the existing funds may not continue exist in their current form. The Fund's agreements and contracts with BCPP were written to ensure that they could easily be transferred to any new administering organisation that arose from the LGR process.
  - b. Officers had talked to colleagues in areas that had already gone through LGR to see what lessons could be learnt.
  - c. Staff changes on vesting day would generate a large amount of administrative work for the Fund. This would need to be carefully managed and resourced appropriately.
3. RESOLVED to note:
- a. The information provided in this report on the impact of Local Government Reorganisation on the Kent Pension Fund
  - b. The proposed workplan and timetable to analyse the options available for a new host authority for the Kent Pension Fund

#### **45. Risk Register**

*(Item 16)*

1. Mrs Green introduced the report
2. RESOLVED to note the updated Risk Register.

#### **46. Asset Pooling**

*(Item 17)*

1. Mrs Surana introduced the report during which the following points were covered:
  - a. The report detailed progress on previously agreed recommendations by Full Council.
  - b. All the required documents would be signed with BCPP to meet the Government's 1 April deadline.

- c. The Inter Authority Agreement (IAA) with ACCESS was being reviewed to ensure it remained fit for purpose in light of the Fund's transition to BCPP. Until then, the old IAA remained valid and operational.
2. During consideration of the item, the following points were raised:
  - a. The Fund would officially become a shareholder of BCPP on 1 April 2026.
  - b. Preparatory work with BCPP had gone smoothly so far.
  - c. Each asset class would have a separate timetable for transition from the ACCESS Pool to BCPP.
  - d. The Government had advised it was likely that the transfer of property investments between pools would be exempt from stamp duty for up to 5 years.
3. RESOLVED to note the update.