

By: Chairman Superannuation Fund Committee  
Corporate Director of Finance and Procurement

To: Superannuation Fund Committee – 29 August 2014

Subject: **BUSINESS PLANNING UPDATE**

Classification: Unrestricted

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Summary: To update on a number of operational issues

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## **FOR INFORMATION**

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### **INTRODUCTION**

1. This report is to update on the operational plans for Treasury & Investments and Pensions to highlight a number of issues.

### **OPERATIONAL PLANS**

2. KCC changed its business planning arrangements for 2014/15 and put much greater emphasis on unit level operational plans. These for both units are attached in Appendix 1 and 2.

### **CUSTODY REVIEW**

3. For Treasury & Investments the last year has been dominated by a number of complex investment manager transitions in late 2013 and then the preparation of the report and accounts. These activities have highlighted that a number of “back office” processes of the Fund have not changed for many years and do not in all cases now represent best practice. This is illustrated by the role of J.P. Morgan as fund custodians – the role J.P. Morgan play has changed little over the years but we are aware of funds where the custodian plays a much greater role in accounting and reporting.
4. Overall we feel that these processes need a thorough review and a project outline is attached in Appendix 3.

### **MEMBER TRAINING**

5. Member training is very important and particularly so for new members of the Committee. Over the last year Members have taken advantage of a number of opportunities which Officers are aware of although this may not be an exhaustive list:
  - **Schroders Investment Conference September 2013** – Ms Carey, Mr Parry
  - **Schroder Trustee Training March & October 2014** – Mr Maddison, Mr MacDowell
  - **LGC Investment Conference February 2014** – Mr Davies

- **LGC Investment Summit September 2014** – Mr Scholes, Mr Davies
- **Harbourvest Private Equity Seminar** – Mr Cloke, Mr Marsh, Mr Parry, Mr MacDowell
- **IBC Investment Forum October 2014** – Mr Marsh, Mr Parry, Mr Richards

6. Members are encouraged to attend such events in future.

## **RECOMMENDATION**

7. Members are asked to:

- (1) Note the operating plans;
- (2) Agree the Custody Services Review; and
- (3) Note the position on member training

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