

From:	Chairman Pension Fund Committee Corporate Director of Finance
To:	Pension Fund Committee – 29 March 2023
Subject:	Actuarial Valuation 2022 Update
Classification:	Unrestricted

Summary:

To provide an update on progress of the 2022 Actuarial Valuation

Recommendation:

The Committee is asked to:

- Note and comment on the outcomes of the 2022 Actuarial Valuation

FOR INFORMATION

1. Background

- 1.1 Members will be aware that the latest triennial Actuarial valuation of the Kent Pension Fund is due as at 31 March 2022. The Fund's actuary Barnett Waddingham has concluded the process of analysing the Fund data with a view to assessing the level of funding, and employer contributions for the 3 years starting 1 April 2023.
- 1.2 At the Committee meeting in September 2022, Barnett Waddingham presented a summary of the assumptions to be used in the valuation, which had been agreed by the Corporate Director of Finance in consultation with the Chairman ahead of discussions with Kent Finance Officer Group on 9 September 2022.
- 1.3 At the Committee meeting in December 2022, Barnett Waddingham presented the final results of the valuation at the total Fund level. This was ahead of the results being circulated to the individual employers, and the Fund's Employer Forum the following day.

2. Valuation timeline

- 2.1 Barnett Waddingham have a deadline of 31 March 2023 to formally certify the Valuation and employers' contribution rates. However, in reality the work will be concluded well before then as the outcome is needed to inform the 2023/24 budgets for the Fund's employers. The timeline is shown below:

2022 Actuarial Valuation Timeline

<u>Date</u>	<u>Title</u>	<u>Agenda</u>
26 August 2022	Meeting with Fund (Officers and Chair)	To discuss draft assumptions
09 September 2022	Kent Finance Officers Group	To discuss draft assumptions
28 September 2022	Pension Fund Committee	To present draft assumptions
03 November 2022	Meeting with Fund (Officers and Chair)	To present initial Whole Fund results/larger employers
11 November 2022	Kent Finance Officers Group	To present initial Whole Fund results/larger employers
24 November 2022	Pension Board	Consider Whole Fund results
08 December 2022	Pension Fund Committee	Formally consider results
09 December 2022	Employers Forum	Present results to all employers

- 2.2 Individual results were presented to the members of the Kent Finance Officers group and will be presented to all employers at the Forum on 9 December 2022.
- 2.3 Since the Committee's meeting in December, Barnett Waddingham have concluded discussions with individual employers, and have had a number of meetings with Fund officers and employers to fine tune the results (where possible).
- 2.4 Barnett Waddingham will present a summary of this work, and the latest position at the meeting of the Committee. The valuation will then be formally signed off and the rates and adjustments certificate issued at the end of March 2023.

3. Funding Strategy Statement

- 3.1 As part of the Valuation exercise officers have been reviewing the Funding Strategy with a view to ensuring that it remains fair to all employers and that the Fund is looking to manage risk in a sensible way. The Fund's employers have been consulted on the updated strategy and the final version is elsewhere on today's agenda for approval.

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