



# **Kenya Urban Roads Authority (KURA)**

## **Staff Retirement Benefit Scheme**

### **Pension Quarterly Newsletter**

**Q1 2025 RELEASE**



Dear Member,

We are glad to share with you the Q1 2025 newsletter on scheme update and other emerging issues in the pension industry. In this edition, we will be focusing on the scheme overview, Taxation, Post-Retirement Medical Fund and access of the online portal.

### Introduction

The Kenya Urban Roads Authority Staff Retirement Benefits Scheme herein referred to as **“the Scheme”** was established on **1<sup>st</sup> July 2011**, as a Defined Contribution Pension Scheme. The Scheme is registered and regulated by the Retirement Benefits Authority and approved by the Kenya Revenue Authority for purposes of tax exemption in accordance with the provisions of the income tax Act.

The scheme is managed by Board of Trustees in accordance with provisions of the Retirement Benefits Act, regulations made thereunder and the Scheme Trust Deed and Rules.

### Board of Trustees Composition



**BOT Chairman:**  
CPA. Reuben Mayienda



**Trust Secretary:**  
CHRP. Philip Sintei



**Trustee:**  
Aggrey Lukale



**Trustee:**  
Alfred Achach



**Trustee MPRSK:**  
Joyce Kamau



**Trustee:**  
Peter O. Bosire Esq.  
Advocate of the High  
Court of Kenya.



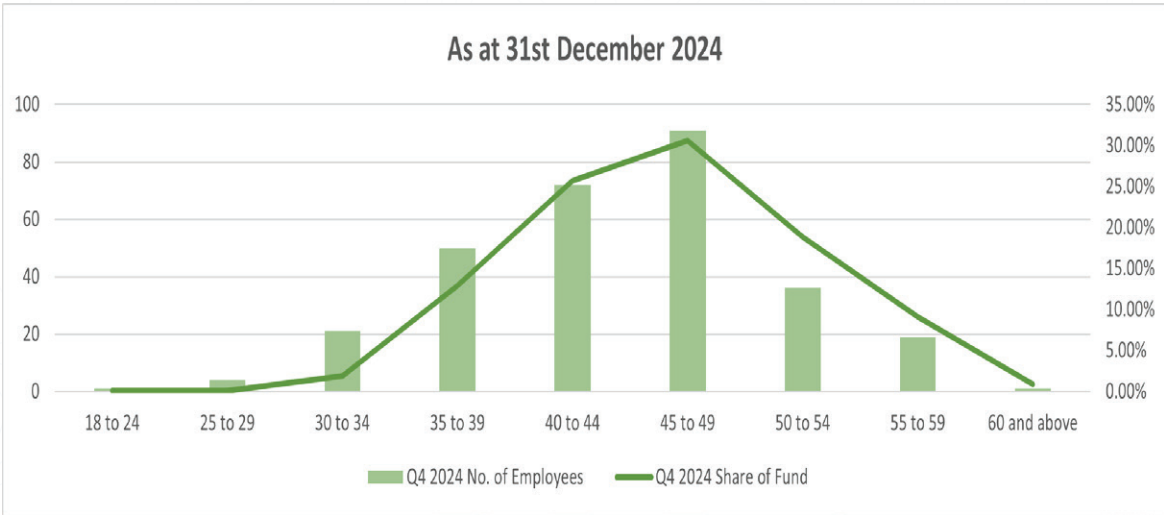
**Trustee:**  
Gilbert Lugaliki



1. SCHEME OVERVIEW

1.1. Scheme Membership

As of 31<sup>st</sup> December, 2024, the scheme had a total of 365 members, comprising 295 active members and 70 deferred members. Among the active members, the average age is 44 years, with the largest proportion of the fund held by individuals aged between 45 and 49 years.



1.2. Scheme Contributions

Members contribute 7.5% of their pensionable salary, while the employer contributes 15% of each individual member’s pensionable salary. All monthly contributions were duly remitted into the scheme within the required regulatory timelines for the period ending 31st December 2024.

1.3. Scheme Performance

The scheme has grown exponentially attributed to the positive returns from investment activities over the years as tabulated below





## 2. SCHEME GOVERNANCE

### 2.1. Board of Trustees Composition

The Scheme is currently comprised of seven Trustees, 4 being member elected while 3 are sponsor nominated.

### 2.2. Board Committees

The Board has two committees;

i. The Strategy, Governance and Administration committee

- Trustee Philip Sinte- Chairperson
- Trustee Peter O. Bosire
- Trustee Joyce Kamau

ii. Finance, Investment, Audit and Risk Committee

- Trustee Aggrey Lukale- chairperson
- Trustee Gilbert Lugaliki
- Trustee Alfred Achach

## 3. APPOINTED SERVICE PROVIDERS

The Board of Trustees has appointed the following Service Providers to aid in the smooth and professional running of the Scheme:

• **Scheme Administrator – Enwealth Financial Services Ltd**

The Administrator aids in the day-to-day operations of the Scheme which includes record keeping, updating of member data and acts as the link between the Trustees, the Service Providers and the Regulator.

• **Approved Issuer – ICEA Lion Life Assurance Company Limited**

The core function of the approved Issuers is investment of scheme Assets in line with approved investment policy statement as well as keeping safe custody of scheme assets and independently accounting for scheme transactions.

• **Scheme Auditor – Maingi Auka & Company LLP**

The Auditor conducts the Scheme audit at the end of every financial year.

There is separation of duties between the Service Providers to ensure transparency and smooth operation of the Scheme.

## 4. TAXATION CHANGES EFFECTIVE DECEMBER 2024

The recently passed Tax Laws (Amendment) Act 2024, effective December 27, 2024, introduces major reforms aimed at enhancing retirement savings and financial security for retirees. Below are the key changes and their impact:

### What are the changes?

i. **Increased Limit for Tax-Free Pension Contributions by 50%**

The tax-deductible pension contribution limit has been increased from **KES 20,000 to KES 30,000 per month**.



**Implications:**

- Higher savings for retirement with minimal impact on disposable income.
- Lower PAYE liabilities for employees, boosting take-home pay.
- Encourages a stronger savings culture while mitigating inflationary effects.

**ii. Deduction of Post-Retirement Medical Funds from Taxable Income**

Contributions of up to KES 15,000 per month to post-retirement medical funds are now tax-deductible

**Implications:**

- Helps retirees manage healthcare costs without financial strain.
- Immediate tax benefits for contributors through reduced taxable income.
- Supports long-term planning for post-retirement medical needs.

**iii. Tax Exemption for Pension Benefits**

Pension income will be tax-exempt for retirees who:

- Have attained the retirement age as defined by respective retirement schemes
- Withdraw due to ill health before retirement age.
- Withdraw benefits after at least 20 years of membership.

**5. POST RETIREMENT MEDICAL FUND**

The Retirement Benefits Authority Gazetted **Legal Notice No 192; The Retirement Benefits (Post-Retirement Medical Funds) Guidelines, 2018** on set up of a medical fund and in response to the need for medical care in Retirement.,

**i. Functions of the Post-Retirement Medical Fund**

- A post-Retirement Medical fund shall allow individuals to pre-save whilst in employment and to then utilize their savings to pay for their medical costs after retirement.
- The contributions are invested in a fund that earns an investment return and are then used to pay for in-patient and out-patient medical bills upon retirement.
- Benefits may be provided to the members and their dependants.

**ii. Objectives and Purpose of a Post-Retirement Medical Scheme**

- To provide access to adequate and affordable medical care for individuals retiring from the service and their eligible dependants.
- To attract, retain and motivate highly qualified staff.
- To ensure dignity of retirees at retirement.
- To help employees spread the cost of medical care so that it becomes manageable in their retirement age.
- Create a platform to facilitate the need of the retiring members access affordable medical coverage.
- Cater for the continuation of medical coverage for members who leave before attaining retirement age.

**iii. Benefits available to members at Retirement**

- To provide both in-patient and out-patient benefits;
- Cover that includes dependants;

- The level of benefits will be determined by the benefit package selected;
- International Cover; and
- Other Covers such as Maternity, dental and Optical Covers.

### 6. ONLINE PORTAL ACCESS

The member statements can be viewed online using the details below

- Link: <https://portal.enwealth.co.ke> or scan the QR Code



- Scheme code: LPS44
- Member number: Your Payroll number

You can dial \*483\*091# and use the scheme code and member number given to view your last balance and last contribution.

Please note that you will be required to register first (Select register after clicking on Portal Link to register). This will allow you to log into the online portal thereafter.

### 7. MEMBER EDUCATION SESSIONS





We are excited to announce that our member education sessions have begun with great success! So far, we have connected with members in the Nairobi and Lower Eastern regions, providing valuable insights and guidance. And this is just the beginning—stay tuned, as we are preparing to bring these sessions to every region, ensuring that all our members remain informed and empowered.

Additionally, we have maintained ongoing communication with all members through our informative fliers, which cover specific topics related to our pension scheme. These fliers are an excellent way to keep everyone up-to-date on important information and developments.



### SCHEME STRATEGIC ORIENTATION

The Scheme five-year strategic plan (2021 – 2026) outlines the ambitious plan to preserve, grow and sustain the Scheme funds as well as to embrace technology for efficiency and effectiveness. The Scheme developed and aligned its Vision, Mission, Core Values and Slogan as follows:

**VISION:** A lifetime of financial security and fulfilment.

**MISSION:** Innovatively grow members savings through prudent investments, effective governance and risk management.

**SLOGAN:** My pension, my future

**CORE VALUES:** Our scheme is guided by the following overarching values:

- Integrity
- Equity
- Stewardship
- Customer Service

### CONTACT INFORMATION

For more information or inquiries regarding the scheme you can reach out to the Trustees or the administrators for any further clarification and information

Trustees - [trustees@kura.go.ke](mailto:trustees@kura.go.ke)

Administrator- [opsadmin@enwealth.co.ke](mailto:opsadmin@enwealth.co.ke)