

Dyfed Pension Fund

Budget Monitoring

1st April 2017 - 31st October 2017

	Budget Type	Actual 2016-17	Budget 2017-2018	Total income/ expenditure to date	Forecast Commitments	Actual income/ expenditure at year end	End of year variance	%	Assumptions/Comments
	Controllable / Non Controllable	£ '000 (a)	£ '000 (b)	£ '000 (c)	£ '000 (d)	£ '000 (e)	£ '000 (f)		
Expenditure									
Benefits Payable	Both	71,900	72,201	41,974	28,364	70,338	-1,863	-2.6	
Pensions Payable	Controllable	57,025	59,201	34,380	24,558	58,938	-263		2.5% additional budget includes new pensioners and pension increase. Forecast increase now estimated at 2.0%.
Commutation and lump sum retirement benefits	Non Controllable	13,041	11,500	7,110	3,390	10,500	-1,000		Forecast based on activity to date
Lump sum death benefits	Non Controllable	1,834	1,500	484	416	900	-600		Forecast based on activity to date
Payments to and account of leavers	Non Controllable	3,452	4,100	1,333	767	2,100	-2,000	-48.8	Forecast based on activity to date
Management Expenses		5,531	6,199	2,625	3,585	6,210	11	0.2	
Computer Software	Controllable	205	300	188	112	300	0		Budget includes £40k website host fees
Printing charges	Controllable	21	25	10	11	21	-4		
Subscriptions, Legal fees, Conf Exps, Med Exps	Controllable	76	71	35	33	68	-3		
Fund Managers									
BlackRock	Controllable	1,085	1,360	229	930	1,159	-201		Budget based on management fees before discounted fees now charged as part of the Wales Pension Partnership joint procurement of passive equities.
Baillie Gifford	Controllable	980	1,040	583	570	1,153	113		Quarterly fees based on June 17 invoices
Columbia Threadneedle	Controllable	860	900	237	711	948	48		Quarterly fees based on June 17 invoices
Schroders	Controllable	469	480	116	360	476	-4		Quarterly fees based on June 17 invoices
Partners Group	Controllable	599	700	186	555	741	41		Quarterly fees based on June 17 invoices
Custodian									
Northern Trust	Controllable	50	56	8	42	50	-6		
Actuary									
Mercer	Controllable	90	68	37	45	82	14		£16k fees relating to 16-17. Amount was not declared for accrual due to delayed invoicing by Mercer.
Performance Manager									
National Framework Providers	Controllable	4	20	1	19	20	0		
Independent Advisor									
E. Lambert	Controllable	19	19	9	19	28	9		
Other									
Euraplan, LSE, Allenbridge	Controllable	26	21	16	10	26	5		£5k Acturaial services framework joining fee
All Wales Pooling	Controllable	89	100	0	100	100	0		New budget introduced for costs for pooling.
Central recharges	Non Controllable	929	1,010	956	54	1,010	0		Restructure of pensions administration team
Audit fees	Controllable	29	29	14	14	28	-1		
Total Expenditure		80,883	82,500	45,932	32,716	78,648	-3,852		
Income									
Contributions									
Employer	Controllable	-47,261	-48,187	-27,059	-21,362	-48,421	-234	0.5	2017-18 budget based on January 17 contributions including 1% pay increase and amendments to contribution rates and past service deficit amounts as per valuation results
Member	Controllable	-17,815	-17,823	-10,357	-7,541	-17,898	-75	0.4	2017-18 budget based on January 17 contributions including 1% pay increase and amendments to contribution rates and past service deficit amounts as per valuation results
Investment Income	Controllable	-18,595	-16,166	-7,680	-12,000	-19,680	-3,514	21.7	Dividend income receipts now finished due to the transition of passive segregated equities into pooled funds.
Other Income	Controllable	-58	-60	-2	-59	-61	-1	0.8	
Transfers in from other pension funds	Non Controllable	-1,889	-2,000	-192	-1,808	-2,000	0	0.0	
Total Income		-85,618	-84,236	-45,290	-42,770	-88,060	-3,824		
Cash Transfer to Fund Managers	Cash	2,500	0	6,900	0	6,900	6,900		£5m BlackRock and £1.9m Partners Group
Net Total of Cash Related Items		-2,235	-1,736	7,543	-10,054	-2,512	-776		
Indirect Transactional Management Fees	Non Cash	1,898	650	0	1,500	1,500	850		New CIPFA Management cost guidance. Estimate based on 16-17 with a reduction due to the move from segregated passive to pooled funds
Investment Income	Non Cash	-12,866	-8,150	-3,587	-4,600	-8,187	-37	0.5	Dividend income retained within the fund
Realised gain/loss	Non Cash	-52,245	-50,000	-113,194	0	-113,194	-63,194	126.4	
Net Total of Non-Cash Related Items		-63,213	-57,500	-116,781	-3,100	-119,881	-62,381		