

## Dyfed Pension Fund

### Budget

1st April 2023 - 31st March 2024

	Budget Type	Forecast outturn 2022-2023	Budget 2022-2023	Budget 2023-2024	Assumptions/Comments
	Controllable / Non Controllable	£ '000 (a)	£ '000 (b)	£ '000 (e)	
<b>Expenditure</b>					
<b>Benefits Payable</b>	Both	95,326	93,908	108,932	
Pensions Payable	Controllable	80,826	80,408	92,432	Budget based on January 2023 pensions payable plus an increase of 10.1% pensions increase (based on Sept 22 CPI) and 2.5% increase for new pensioners and deferreds
Commutation and lump sum retirement benefits	Non Controllable	12,500	12,000	14,000	Budget increased in line with average of previous years' actuals
Lump sum death benefits	Non Controllable	2,000	1,500	2,500	Budget increased in line with average of previous years' actuals
<b>Payments to and account of leavers</b>	Non Controllable	3,425	3,120	3,670	Budget increased in line with average of previous years' actuals
<b>Management Expenses</b>					
Computer Software	Controllable	580	534	500	Budget reduced due to one off renewal fee for Computer Software in 2022-23
Printing charges	Controllable	20	20	20	Budget in line with 2022-23
Subscriptions, Legal fees, Conf Exps, Med Exps	Controllable	57	70	70	Budget in line with 2022-23
<b>Fund Managers</b>		2,100	2,850	1,600	
BlackRock	Controllable	2,100	2,850	1,600	Budget reduced due to transition to WPP Sustainable Equity Fund in 23-24
Schroders	Controllable	751	749	750	Budget based on 22-23 forecast outturn
Wales Pension Partnership	Controllable	4,150	4,200	4,900	Budget based on 22-23 forecast outturn plus an increase for WPP Sustainable Equity Fund
Partners Group	Controllable	684	700	700	Budget in line with 2022-23
<b>Custodian</b>		31	31	31	
Northern Trust	Controllable	31	31	31	Budget in line with 2022-23
<b>Actuary</b>		238	175	125	
Mercer	Controllable	238	175	125	Budget reduced due to Triennial Valuation fees in 2022-23
<b>Performance Manager</b>		26	26	26	
Northern Trust / PIRC / CEM	Controllable	26	26	26	Budget in line with 2022-23
<b>Independent Advisor</b>		30	30	30	
MJ Hudson	Controllable	30	30	30	Budget in line with 2022-23
<b>Other</b>		27	27	47	
Euraplan, LSE, Pension Board	Controllable	27	27	47	Budget in line with 2022-23
<b>Central recharges</b>	Non Controllable	1,314	1,314	1,380	Based on 2022-23 budget plus increase for pay inflation
<b>Audit fees</b>	Controllable	32	28	32	Budget based on 2022-23 forecast outturn
<b>Controllable Expenditure</b>		89,552	89,848	101,263	
<b>Non Controllable Expenditure</b>		19,239	17,934	21,550	
<b>Total Expenditure</b>		108,791	107,782	122,813	
<b>Income</b>					
<b>Contributions</b>					
Employer	Controllable	-70,097	-68,339	-69,522	Budget based on January 2023 contributions, an increase of 5% for pay award and revised contribution rates following the Triennial Valuation
Member	Controllable	-24,187	-23,045	-25,577	Budget based on January 2023 contributions and an increase of 5% for pay award.
<b>Investment Income</b>	Controllable	-17,940	-13,398	-24,214	Investment income will be called upon as per cash flow requirements. £24.2 million cash required to breakeven.
<b>Transfers in from other pension funds</b>	Non Controllable	-3,500	-3,000	-3,500	Budget increased in line with average of previous years' actuals
<b>Controllable Income</b>		-112,224	-104,782	-119,313	
<b>Non Controllable Income</b>		-3,500	-3,000	-3,500	
<b>Total Income</b>		-115,724	-107,782	-122,813	
<b>Controllable Total</b>		-22,672	-14,934	-18,050	
<b>Non Controllable Total</b>		15,739	14,934	18,050	
<b>Total</b>		-6,933	0	0	Net budget Zero. Income can be managed to suit cashflow requirements.
<b>Cash Transfer to Fund Managers</b>	Cash	15,000	0	0	
<b>Net Total of Cash Related Items</b>		8,067	0	0	
<b>Indirect Transactional Management Fees</b>	Non Cash	3,500	3,500	5,000	CIPFA Management cost guidance issued to show indirect transactional fees indirectly paid by the funds
<b>Investment Income</b>	Non Cash	-3,500	-3,500	-5,000	Contra entry to the Indirect transactional fees
<b>Realised gain/loss</b>	Non Cash	4,689	-50,000	-50,000	Non Controllable. To cover portfolio rebalances. No impact to cash.
<b>Net Total of Non-Cash Related Items</b>		4,689	-50,000	-50,000	