

Dyfed Pension Fund

Budget

1st April 2024 - 31st March 2025

	Budget Type	Forecast outturn 2023-2024	Budget 2023-2024	Budget 2024-2025	Assumptions/Comments
	Controllable / Non Controllable	£ '000 (a)	£ '000 (b)	£ '000 (e)	
Expenditure					
Benefits Payable	Both	110,697	108,932	118,017	
Pensions Payable	Controllable	91,335	92,432	99,517	Budget based on January 2024 pensions payable plus 6.7% pensions increase (based on Sept 23 CPI) and 1.5% increase for new pensioners and deferreds.
Commutation and lump sum retirement benefits	Non Controllable	17,862	14,000	16,000	Budget increased in line with average of previous years' actuals.
Lump sum death benefits	Non Controllable	1,500	2,500	2,500	In line with budget for 2023-24.
Payments to and account of leavers	Non Controllable	4,385	3,670	3,700	Budget increased in line with average of previous years' actuals.
Management Expenses					
Computer Software	Controllable	500	500	530	Budget increased to allow for additional costs due to regulatory (e.g.McCloud) updates.
Printing charges	Controllable	20	20	20	In line with budget for 2023-24.
Subscriptions, Legal fees, Conf Exps, Med Exps	Controllable	70	70	70	In line with budget for 2023-24.
Fund Managers		1,851	1,600	2,000	
BlackRock	Controllable	1,851	1,600	2,000	Budget increased to allow for additional fees for BlackRock UK SAIF as investment reaches full deployment.
Schroders	Controllable	676	750	750	In line with budget for 2023-24.
Wales Pension Partnership	Controllable	5,144	4,900	6,000	Budget increased to allow for full year of fees for Sustainable Active Equity Fund and Infrastructure/Private Credit Funds.
Partners Group	Controllable	586	700	650	Budget reduced as Net Asset Value (NAV) is decreasing.
Custodian		31	31	31	
Northern Trust	Controllable	31	31	31	In line with budget for 2023-24.
Actuary		125	125	125	
Mercer	Controllable	125	125	125	In line with budget for 2023-24.
Performance Manager		26	26	18	
Northern Trust / PIRC	Controllable	26	26	18	Budget reduced as Fund no longer uses some services.
Independent Advisor		30	30	30	
Apex Group plc	Controllable	30	30	30	In line with budget for 2023-24.
Other		47	47	20	
LSE, Pension Board	Controllable	47	47	20	Budget for 2023-24 included fees for SAA review, 2024-25 budget reduced accordingly. Further reduction as Fund no longer uses some services.
Central recharges	Non Controllable	1,380	1,380	1,648	Based on 2023-24 budget plus increase for pay inflation and additional posts.
Audit fees	Controllable	35	32	37	Budget increased in line with anticipated fees for year.
Controllable Expenditure		100,476	101,263	109,798	
Non Controllable Expenditure		25,127	21,550	23,848	
Total Expenditure		125,603	122,813	133,646	
Income					
Contributions					
Employer	Controllable	-73,286	-69,522	-76,124	Budget based on January 2024 contributions, an increase of 4% for pay award and revised contribution rates following the Triennial Valuation
Member	Controllable	-26,478	-25,577	-28,354	Budget based on January 2024 contributions and an increase of 4% for pay award.
Investment Income	Controllable	-22,444	-24,214	-25,668	Investment income will be called upon as required.
Transfers in from other pension funds	Non Controllable	-5,250	-3,500	-3,500	In line with budget for 2023-24.
Controllable Income		-122,208	-119,313	-130,146	
Non Controllable Income		-5,250	-3,500	-3,500	
Total Income		-127,458	-122,813	-133,646	
Controllable Total		-21,732	-18,050	-20,348	
Non Controllable Total		19,877	18,050	20,348	
Total		-1,855	0	0	Net budget Zero. Income can be managed to suit cashflow requirements.
Cash Transfer to Fund Managers	Cash	2,662	0	0	
Net Total of Cash Related Items		807	0	0	
Indirect Transactional Management Fees	Non Cash	5,000	5,000	5,000	CIPFA Management cost guidance issued to show indirect transactional fees indirectly paid by the funds
Investment Income	Non Cash	-5,000	-5,000	-5,000	Contra entry to the Indirect transactional fees
Realised gain/loss	Non Cash	-65,992	-50,000	-50,000	Non Controllable. To cover portfolio rebalances. No impact to cash.
Net Total of Non-Cash Related Items		-65,992	-50,000	-50,000	