

EXECUTIVE SUMMARY

Budget Monitoring 1 April 2023 – 31 December 2023

The position as at 31 December 2023 was an under spend compared to budget of £1.8m.

Expenditure

Expenditure is projected to be overspent by £2.8m. Lump sum retirement benefits are forecast to be £3.9m more than budget, transfers out £715k more than budget and management expenses £310k more than budget. Offsetting these overspends, pensions payable is forecast to be underspent by £1.1m. and lump sum death benefits are forecast to be underspent by £1m. In relation to pensions payable, at budget setting for 2023-24 an increase of 2.2% was included to estimate the additional pensions paid on new pensioner members for the year, to date the actual increase in pensioner membership has been closer to 1%.

Lump sum retirement benefits, transfers out of the scheme and lump sum death benefits depend on the number of retirements, leavers, and deaths throughout the year which cannot be anticipated at budget setting stage.

Income

Income is forecast to be exceed budget by £4.6m. Contributions are forecast to be £4.6m more than budgeted which is mostly due to employee pensionable pay being more than anticipated at budget setting due to a higher pay award. Furthermore, augmentation income received from employers has also been higher than was anticipated at budget setting.

Transfers in are forecast to exceed budget by £1.8m and investment income is forecast to below budget by £1.8m.

Overall, total expenditure is estimated at £125.6m and total income estimated at £127.4m resulting in a positive variance against budget of £1.8m.