

Dyfed Pension Fund									
Budget Monitoring									
1st April 2017 - 28th February 2018									
	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)	%	
<b>Expenditure</b>									
<b>Benefits Payable</b>	Both	<b>71,900</b>	<b>72,201</b>	<b>66,571</b>	<b>6,108</b>	<b>72,679</b>	<b>478</b>	<b>0.7</b>	
Pensions Payable	Controllable	57,025	59,201	54,326	4,938	59,264	63		2.5% additional budget includes new pensioners and pension increase. Forecast increase now estimated at 2.5%.
Commutation and lump sum retirement benefits	Non Controllable	13,041	11,500	10,993	1,000	11,993	493		Forecast based on activity to date
Lump sum death benefits	Non Controllable	1,834	1,500	1,252	170	1,422	-78		Forecast based on activity to date
<b>Payments to and account of leavers</b>	Non Controllable	<b>3,452</b>	<b>4,100</b>	<b>1,881</b>	<b>160</b>	<b>2,041</b>	<b>-2,059</b>	<b>-50.2</b>	Forecast based on activity to date
<b>Management Expenses</b>		<b>5,531</b>	<b>6,199</b>	<b>5,371</b>	<b>1,171</b>	<b>6,542</b>	<b>343</b>	<b>5.5</b>	
Computer Software	Controllable	205	300	526	-280	246	-54		
Printing charges	Controllable	21	25	11	4	15	-10		
Subscriptions, Legal fees, Conf Exps, Med Exps	Controllable	76	71	60	4	64	-7		
<b>Fund Managers</b>									
BlackRock	Controllable	1,085	1,360	1,085	380	1,465	105		The US and Corporate Bond which are actively managed have performed well over a rolling 3 years. This has resulted in higher than budgeted Performance fees.
Baillie Gifford	Controllable	980	1,040	897	315	1,212	172		Quarterly fee projected based on December 17 invoices
Columbia Threadneedle	Controllable	860	900	724	245	969	69		Quarterly fee projected based on December 17 invoices
Schroders	Controllable	469	480	363	125	488	8		Quarterly fee projected based on December 17 invoices
Partners Group	Controllable	599	700	557	190	747	47		Quarterly fee projected based on December 17 invoices
<b>Custodian</b>									
Northern Trust	Controllable	50	56	22	8	30	-26		Pooled funds results in lower transactional activity through the Custodian.
<b>Actuary</b>									
Mercer	Controllable	90	68	47	30	77	9		
<b>Performance Manager</b>									
National Framework Providers	Controllable	4	20	1	31	32	12		Northern Trust selected as the Performance provider. £20k fees for 17-18 which includes backloading data to
<b>Independent Advisor</b>									
E. Lambert	Controllable	19	19	26	5	31	12		£10k Strategic Asset Allocation work.
<b>Other</b>									
Euraplan, LSE, Pension Board	Controllable	26	21	26	3	29	8		£5k included for Pension Board Insurance
All Wales Pooling	Controllable	89	100	49	50	99	-1		
<b>Central recharges</b>	Non Controllable	929	1,010	956	54	1,010	0		
<b>Audit fees</b>	Controllable	29	29	21	7	28	-1		
<b>Total Expenditure</b>		<b>80,883</b>	<b>82,500</b>	<b>73,823</b>	<b>7,439</b>	<b>81,262</b>	<b>-1,238</b>		
<b>Income</b>									
<b>Contributions</b>									
<b>Employer</b>	Controllable	<b>-47,261</b>	<b>-48,187</b>	<b>-42,658</b>	<b>-6,036</b>	<b>-48,694</b>	<b>-507</b>	<b>1.1</b>	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
<b>Member</b>	Controllable	<b>-17,815</b>	<b>-17,823</b>	<b>-15,129</b>	<b>-3,002</b>	<b>-18,131</b>	<b>-308</b>	<b>1.7</b>	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
<b>Investment Income</b>	Controllable	<b>-18,595</b>	<b>-16,166</b>	<b>-11,567</b>	<b>-8,498</b>	<b>-20,065</b>	<b>-3,899</b>	<b>24.1</b>	Investment Income based on actuals and commitments to maintain a cash neutral position ensuring expenditure is covered. Budget was based on historic dividend income.
<b>Other Income</b>	Controllable	<b>-58</b>	<b>-60</b>	<b>-4</b>	<b>0</b>	<b>-4</b>	<b>56</b>	<b>-93.2</b>	3rd Party Provider invoices now raised through Pensions Administration budget within Carmarthenshire's accounts.
<b>Transfers in from other pension funds</b>	Non Controllable	<b>-1,889</b>	<b>-2,000</b>	<b>-1,171</b>	<b>-150</b>	<b>-1,321</b>	<b>679</b>	<b>-34.0</b>	
<b>Total Income</b>		<b>-85,618</b>	<b>-84,236</b>	<b>-70,529</b>	<b>-17,686</b>	<b>-88,215</b>	<b>-3,979</b>		
<b>Cash Transfer to Fund Managers</b>	Cash	<b>2,500</b>	<b>0</b>	<b>6,900</b>	<b>0</b>	<b>6,900</b>	<b>6,900</b>		£5m BlackRock and £1.9m Partners Group
<b>Net Total of Cash Related Items</b>		<b>-2,235</b>	<b>-1,736</b>	<b>10,194</b>	<b>-10,247</b>	<b>-53</b>	<b>1,683</b>		Maintaining a cash neutral position by calling sufficient cash to cover expenditure.
<b>Indirect Transactional Management Fees</b>	Non Cash	<b>1,898</b>	<b>650</b>	<b>0</b>	<b>1,500</b>	<b>1,500</b>	<b>850</b>		New CIPFA Management cost guidance. Estimate based on 16-17 with a reduction due to the move from segregated passive to pooled funds
<b>Investment Income</b>	Non Cash	<b>-12,866</b>	<b>-8,150</b>	<b>-1,563</b>	<b>-1,705</b>	<b>-3,268</b>	<b>4,882</b>	<b>-59.9</b>	Schroders income now paid out as cash rather than re-invested.
<b>Realised gain/loss</b>	Non Cash	<b>-52,245</b>	<b>-50,000</b>	<b>-136,811</b>	<b>0</b>	<b>-136,811</b>	<b>-86,811</b>	<b>173.6</b>	Realised gains from the passive portfolio transition from segregated to pooled in April 17.
<b>Net Total of Non-Cash Related Items</b>		<b>-63,213</b>	<b>-57,500</b>	<b>-138,374</b>	<b>-205</b>	<b>-138,579</b>	<b>-81,079</b>		