

DYFED PENSION FUND COMMITTEE
DATE 27/03/2024

Dyfed Pension Fund Budget 2024-2025

To provide the Dyfed Pension Fund Committee with the Budget for 2024-2025

Recommendations / key decisions required:

The Committee to approve the budget for 2024-2025.

Reasons:

To provide the Dyfed Pension Fund Committee with the Budget for 2024-2025.

Cabinet Decision Required N/A

Council Decision Required N/A

CABINET MEMBER PORTFOLIO HOLDER:- N/A

Directorate:
Corporate Services

Name of Director:
Chris Moore

Report Author:
Chris Moore

Designations:
Director of Corporate
Services,
Carmarthenshire County
Council

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**EXECUTIVE SUMMARY
DYFED PENSION FUND COMMITTEE
DATE 27/03/2024**

Dyfed Pension Fund Budget 2024-2025

The expenditure budget for 2024-2025 is £133.6m and the income budget for 2024-2025 is £133.6m. This results in a net budget of zero. This provides the Fund with flexibility to utilise investment income based on budgetary requirements.

Expenditure:

Benefits payable is estimated at £118m which includes 6.7% pensions increase based on September 2023 CPI and 1.5% increase in pensioner and deferred members. An increase in budget has also been allocated to lump sum retirement benefits and payments to and account of leavers.

Management expenses is estimated at £11.9m, of which £9.4m is budgeted for investment manager fees.

Income:

Contributions is estimated at £104.5m. Employer contributions £76.1m and Employee contributions £28.4m. Contribution rates for employers have been amended to reflect the results of the 2022 triennial valuation. An additional 4% is factored in for pay awards for the year.

Investment income is estimated at £25.7m to maintain a net budget of zero so that the Fund is not holding surplus cash.

DETAILED REPORT ATTACHED?

YES

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report:

Signed: **C Moore**

Director of Corporate Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets	Bio-diversity & Climate Change
NONE	NONE	YES	NONE	NONE	NONE	NONE	NONE

Finance

The report provides an initial view of the Budget for 2024-2025. Overall, the Fund needs to maintain a neutral budget so that there is sufficient income to meet its obligations. An estimated £133.6m income budget is a significant figure to achieve this.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below:

Signed: C Moore

Director of Corporate Services

1. Scrutiny Committee request for pre-determination

N/A

2. Local Member(s)

N/A

3. Community / Town Council

N/A

4. Relevant Partners

N/A

5. Staff Side Representatives and other Organisations

N/A

**CABINET MEMBER PORTFOLIO
HOLDER(S) AWARE/CONSULTED**

N/A

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THERE ARE NONE

Title of Document	File Ref No.	Locations that the papers are available for public inspection