

Dyfed Pension Fund

Budget Monitoring

1st April 2017 - 31st August 2017

	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)		
Expenditure									
Benefits Payable	Both	71,900	72,201	28,804	41,052	69,856	-2,345	-3.2	
Pensions Payable	Controllable	57,025	59,201	24,402	34,554	58,956	-245		2.5% additional budget includes new pensioners and pension increase. Forecast increase now estimated at 2.2%.
Commutation and lump sum retirement benefits	Non Controllable	13,041	11,500	4,059	5,941	10,000	-1,500		Forecast based on activity to date
Lump sum death benefits	Non Controllable	1,834	1,500	343	557	900	-600		Forecast based on activity to date
Payments to and account of leavers	Non Controllable	3,452	4,100	802	1,298	2,100	-2,000	-48.8	Forecast based on activity to date
Management Expenses		5,531	6,199	1,970	4,273	6,243	44	0.7	
Computer Software	Controllable	205	300	180	120	300	0		Budget includes £40k website host fees
Printing charges	Controllable	21	25	9	12	21	-4		
Subscriptions, Legal fees, Conf Exps, Med Exps	Controllable	76	71	26	47	73	2		
Fund Managers									
BlackRock	Controllable	1,085	1,360	51	1,160	1,211	-149		Budget based on management fees before discounted fees now charged as part of the Wales Pension Partnership joint procurement of passive equities.
Baillie Gifford	Controllable	980	1,040	284	855	1,139	99		Quarterly fees based on June 17 invoices
Columbia Threadneedle	Controllable	860	900	237	711	948	48		Quarterly fees based on June 17 invoices
Schroders	Controllable	469	480	-4	480	476	-4		Quarterly fees based on June 17 invoices
Partners Group	Controllable	599	700	186	555	741	41		Quarterly fees based on June 17 invoices
Custodian									
Northern Trust	Controllable	50	56	-3	56	53	-3		
Actuary									
Mercer	Controllable	90	68	24	60	84	16		£16k fees relating to 16-17. Amount was not declared for accrual due to delayed invoicing by Mercer.
Performance Manager									
National Framework Providers	Controllable	4	20	1	19	20	0		
Independent Advisor									
E. Lambert	Controllable	19	19	8	11	19	0		
Other									
Euraplan, LSE, Allenbridge	Controllable	26	21	6	14	20	-1		
All Wales Pooling	Controllable	89	100	0	100	100	0		New budget introduced for costs for pooling.
Central recharges	Non Controllable	929	1,010	956	54	1,010	0		Restructure of pensions administration team
Audit fees	Controllable	29	29	9	19	28	-1		
Total Expenditure		80,883	82,500	31,576	46,623	78,199	-4,301		
Income									
Contributions									
Employer	Controllable	-47,261	-48,187	-19,729	-29,276	-49,005	-818	1.7	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
Member	Controllable	-17,815	-17,823	-7,546	-10,471	-18,017	-194	1.1	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
Investment Income	Controllable	-18,595	-16,166	-5,742	-13,000	-18,742	-2,576	15.9	Dividend income receipts now finished due to the transition of passive segregated equities into pooled funds.
Other Income	Controllable	-58	-60	0	-60	-60	0	0.0	
Transfers in from other pension funds	Non Controllable	-1,889	-2,000	-192	-1,808	-2,000	0	0.0	
Total Income		-85,618	-84,236	-33,209	-54,615	-87,824	-3,588		
Cash Transfer to Fund Managers	Cash	2,500	0	6,900	0	6,900	6,900		£5m BlackRock and £1.9m Partners Group
Net Total of Cash Related Items		-2,235	-1,736	5,267	-7,992	-2,725	-989		
Indirect Transactional Management Fees	Non Cash	1,898	650	0	1,500	1,500	850		New CIPFA Management cost guidance. Estimate based on 16-17 with a reduction due to the move from segregated passive to pooled funds
Investment Income	Non Cash	-12,866	-8,150	-3,342	-8,562	-11,904	-3,754	46.1	Dividend income retained within the fund
Realised gain/loss	Non Cash	-52,245	-50,000	-112,888	0	-112,888	-62,888	125.8	
Net Total of Non-Cash Related Items		-65,448	-59,236	-110,963	-15,054	-126,017	-66,781		