

Dyfed Pension Fund

Budget

1st April 2020 - 31st March 2021

	Forecast outturn 2019-2020	Budget 2019-2020	Budget 2020-2021	Assumptions/Comments
	£ '000 (a)	£ '000 (b)	£ '000 (e)	
Expenditure				
Benefits Payable	81,111	79,521	85,073	Budget includes 1.7% pensions increase (based on Sept 19 CPI) and 3% increase in pensioners.
Pensions Payable	67,611	66,021	71,573	
Commutation and lump sum retirement benefits	12,000	12,000	12,000	Budget based on likely outturn for 19-20.
Lump sum death benefits	1,500	1,500	1,500	Budget based on likely outturn for 19-20.
Payments to and account of leavers	3,324	2,620	2,620	Budget based on 19-20 budget.
Management Expenses	7,936	5,610	8,549	
Computer Software	355	355	361	Budget based on likely outturn for 19-20 plus an increase for I-Connect.
Printing charges	20	20	20	Budget based on likely outturn for 19-20.
Subscriptions, Legal fees, Conf Exps, Med Exps	70	68	70	Budget based on likely outturn for 19-20.
Fund Managers				
BlackRock	1,742	1,265	1,443	Budget based on likely outturn for 19-20 with approximate 5% market value increase and redn in assets due to pooling.
Schroders	850	849	882	Budget based on likely outturn for 19-20 with approximate 5% market value increase .
Wales Pension Partnership	2,593	750	3,510	Budget based on likely outturn for 19-20 plus and increase due to the Corporate Bonds being pooled in 20-21.
Partners Group	781	910	806	Budget based on likely outturn for 19-20 with approximate 5% market value increase.
Custodian				
Northern Trust	31	30	31	Budget based on likely outturn for 19-20.
Actuary				
Mercer	205	70	100	Budget based on likely outturn for 19-20 excluding the triennial valuation fees. Tender due 20-21.
Performance Manager				
Northern Trust / PIRC / CEM	23	26	26	Budget based on 19-20 plus inflation
Independent Advisor				
New tender	20	20	30	Budet based on new contract price including expenses
Other				
Euraplan, LSE, Pension Board	23	23	23	Budget based on 19-20
Central recharges	1,195	1,195	1,219	Increased by 2% inflation
Audit fees	28	29	28	Budget based on likely outturn for 19-20
Controllable Expenditure	74,352	70,436	78,903	
Non Controllable Expenditure	18,019	17,315	17,339	
Total Expenditure	92,371	87,751	96,242	
Income				
Contributions				
Employer	-53,876	-52,755	-59,800	Budget based on December 19 contributions including 2.75% pay increase and an additional 2% for increments. Contribution rates and past service deficit amounts as per valuation results.
Member	-20,029	-19,363	-21,148	Budget based on December 19 contributions including 2.75% pay increase and an additional 2% for increments. Contribution rates and past service deficit amounts as per valuation results.
Investment Income	-13,516	-14,133	-13,794	Investment income will be called upon as per cash flow requirements. £14 million cash required to breakeven.
Transfers in from other pension funds	-5,174	-1,500	-1,500	Budget based on 19-20 budget.
Controllable Income	-87,421	-86,251	-94,742	
Non Controllable Income	-5,174	-1,500	-1,500	
Total Income	-92,595	-87,751	-96,242	
Controllable Total	-13,069	-15,815	-15,839	
Non Controllable Total	12,845	15,815	15,839	
Total	-224	0	0	Net budget Zero. Income can be managed to suit cashflow requirements.
Cash Transfer to Fund Managers	0	0	0	
Net Total of Cash Related Items	-224	0	0	
Indirect Transactional Management Fees	2,840	1,900	2,840	CIPFA Management cost guidance issued to show indirect transactional fees idirectly paid by the funds
Investment Income	-2,840	-1,900	-2,840	Contra entry to the Indirect transactional fees
Realised gain/loss	-51,233	-50,000	-50,000	Non Controllable. To cover portfolio rebalances. No impact to cash.
Net Total of Non-Cash Related Items	-51,233	-50,000	-50,000	