

| Dyfed Pension Fund | | | | | |
|--|---------------------------------|----------------------------|------------------|------------------|---|
| Budget | | | | | |
| 1st April 2021 - 31st March 2022 | | | | | |
| | Budget Type | Forecast outturn 2020-2021 | Budget 2020-2021 | Budget 2021-2022 | Assumptions/Comments |
| | Controllable / Non Controllable | £ '000 (a) | £ '000 (b) | £ '000 (e) | |
| Expenditure | | | | | |
| Benefits Payable | Both | 88,402 | 89,869 | 92,363 | |
| Pensions Payable | Controllable | 74,902 | 76,369 | 78,863 | Budget based on January 2021 pensions payable plus an increase of 0.5% pensions increase (based on Sept 20 CPI), 3% pensioners and deferreds |
| Commutation and lump sum retirement benefits | Non Controllable | 12,000 | 12,000 | 12,000 | Budget based on 20-21 forecast outturn |
| Lump sum death benefits | Non Controllable | 1,500 | 1,500 | 1,500 | Budget based on 20-21 forecast outturn |
| Payments to and account of leavers | Non Controllable | 2,934 | 2,620 | 3,120 | Budget based on 20-21 forecast outturn plus refunds |
| Management Expenses | | 8,133 | 8,549 | 8,829 | |
| Computer Software | Controllable | 365 | 361 | 383 | Budget based on 20-21 forecast outturn plus an increase for mortality screening software |
| Printing charges | Controllable | 20 | 20 | 20 | Budget based on 20-21 forecast outturn |
| Subscriptions, Legal fees, Conf Exps, Med Exps | Controllable | 59 | 70 | 70 | Budget based on 20-21 budget |
| Fund Managers | | | | | |
| BlackRock | Controllable | 1,316 | 1,443 | 1,300 | Budget based on 20-21 forecast outturn with estimated 5% market value increase. Estimate also includes a reduction due to equity restructure |
| Schroders | Controllable | 693 | 882 | 580 | Budget based on 20-21 forecast outturn with estimated 5% market value increase. Fees reduced from 1 January 2021 |
| Wales Pension Partnership | Controllable | 3,350 | 3,510 | 4,030 | Increase due to full year effect of corporate bonds transitioned to WPP in August 2020 and equity restructure completed in 20-21 |
| Partners Group | Controllable | 903 | 806 | 950 | Budget based on 20-21 forecast outturn with estimated 5% market value increase |
| Custodian | | | | | |
| Northern Trust | Controllable | 31 | 31 | 31 | Budget based on 20-21 forecast outturn |
| Actuary | | | | | |
| Mercer | Controllable | 100 | 100 | 100 | Budget based on 20-21 forecast outturn |
| Performance Manager | | | | | |
| Northern Trust / PIRC / CEM | Controllable | 26 | 26 | 26 | Budget based on 20-21 forecast outturn |
| Independent Advisor | | | | | |
| MJ Hudson | Controllable | 30 | 30 | 30 | Budget based on contract price including expenses |
| Other | | | | | |
| Euraplan, LSE, Pension Board | Controllable | 44 | 23 | 27 | Budget based on 20-21 forecast outturn excluding SAA Review and Transition Analysis. Increase also included for additional Pension Board costs. |
| Central recharges | Non Controllable | 1,168 | 1,219 | 1,254 | Based on 20-21 budget. Increased by inflation. |
| Audit fees | Controllable | 28 | 28 | 28 | Budget based on 20-21 forecast outturn |
| Controllable Expenditure | | 81,868 | 83,699 | 86,438 | |
| Non Controllable Expenditure | | 17,602 | 17,339 | 17,874 | |
| Total Expenditure | | 99,470 | 101,038 | 104,312 | |
| Income | | | | | |
| Contributions | | | | | |
| Employer | Controllable | -64,446 | -64,596 | -66,893 | Budget based on December 2020 contributions plus an increase of 3% for increments/pay awards. |
| Member | Controllable | -21,415 | -21,148 | -22,121 | Budget based on December 2020 contributions plus an increase of 3% for increments/pay awards. |
| Investment Income | Controllable | -14,943 | -13,794 | -12,298 | Investment income will be called upon as per cash flow requirements. £12.3 million cash required to breakeven. |
| Other Income | Controllable | 0 | 0 | 0 | Budget not required for 21-22. 3rd party administration invoices now raised against Pensions Administration budget within Carmarthenshire. |
| Transfers in from other pension funds | Non Controllable | -2,794 | -1,500 | -3,000 | Budget increased based on 19-20 actual outturn and 20-21 forecast outturn. |
| Controllable Income | | -100,804 | -99,538 | -101,312 | |
| Non Controllable Income | | -2,794 | -1,500 | -3,000 | |
| Total Income | | -103,598 | -101,038 | -104,312 | |
| Controllable Total | | -18,936 | -15,839 | -14,874 | |
| Non Controllable Total | | 14,808 | 15,839 | 14,874 | |
| Total | | -4,128 | 0 | 0 | Net budget Zero. Income can be managed to suit cashflow requirements. |
| Cash Transfer to Fund Managers | Cash | 0 | 0 | 0 | |
| Net Total of Cash Related Items | | -4,128 | 0 | 0 | |
| Indirect Transactional Management Fees | Non Cash | 3,402 | 2,840 | 3,500 | CIPFA Management cost guidance issued to show indirect transactional fees idirectly paid by the funds |
| Investment Income | Non Cash | -3,402 | -2,840 | -3,500 | Contra entry to the Indirect transactional fees |
| Realised gain/loss | Non Cash | -175,000 | -50,000 | -50,000 | Non Controllable. To cover portfolio rebalances. No impact to cash. |
| Net Total of Non-Cash Related Items | | -175,000 | -50,000 | -50,000 | |