

**DYFED PENSION FUND COMMITTEE**  
**29/03/2022**

**Dyfed Pension Fund Budget 2022-2023**

**To provide the Dyfed Pension Fund Committee with the Budget for 2022-2023**

**Recommendations / key decisions required:**

The Committee to approve the budget for 2022-2023.

**Reasons:**

To provide the Dyfed Pension Fund Committee with the Budget for 2022-2023.

Relevant scrutiny committee to be consulted    NA

Cabinet Decision Required                                NA

Council Decision Required                                NA

CABINET MEMBER PORTFOLIO HOLDER:-    NA

Directorate: Corporate  
Services

Name of Head of Service:  
Chris Moore

Report Author: Chris Moore

Designations:

Director of Corporate  
Services,  
Carmarthenshire County  
Council

Tel Nos. 01267 224120

E Mail Address:  
CMoore@carmarthenshire.gov.uk

**EXECUTIVE SUMMARY  
DYFED PENSION FUND COMMITTEE  
29/03/2022**

**Dyfed Pension Fund Budget 2022-2023**

The cash related expenditure budget for 2022-2023 is £107.8m and the cash related income budget for 2022-2023 is £107.8m. This results in a net budget of zero. This provides the Fund with flexibility to utilise investment income based on cash flow requirements.

**Expenditure:**

Benefits payable is estimated at £93.9m which includes 3.1% pensions increase based on September 2021 CPI and 1.9% net effect for new pensioner members and deferred members.

Management expenses is estimated at £10.8m. Of this total, £8.5m is budgeted for investment manager fees.

**Income:**

Contributions is estimated at £91.4m. Employer contributions £68.4m and Employee contributions £23m. The contribution rates used are based on the 2019 valuation. 3.5% was factored in for increments/pay awards.

Investment income is estimated at £13.4m to maintain a cash neutral budget so that the fund is not holding onto surplus cash that can be invested.

The non-cash related budget is £50m. This is an estimate for the realised gains and losses for individual manager portfolio rebalances and sales and purchases within the property portfolios.

**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 |
|---|-------------|------------|-------------|------------------------|-----------------------|-----------------|
| <b>NONE</b>                             | <b>NONE</b> | <b>YES</b> | <b>NONE</b> | <b>NONE</b>            | <b>NONE</b>           | <b>NONE</b>     |

### Finance

The report provides an initial view of the Budget for 2022-2023. Overall, the Fund needs to maintain a neutral budget so that there is sufficient income to meet its obligations. An estimated £107.8m 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**

NA

**2. Local Member(s)**

NA

**3. Community / Town Council**

NA

**4. Relevant Partners**

NA

**5. Staff Side Representatives and other Organisations**

NA

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

**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 |
|-------------------|--------------|---|
|                   |              |   |