

## Dyfed Pension Fund

### Budget

1st April 2022 - 31st March 2023

	Budget Type	Forecast outturn 2021-2022	Budget 2021-2022	Budget 2022-2023	Assumptions/Comments
	Controllable / Non Controllable	£ '000 (a)	£ '000 (b)	£ '000 (e)	
<b>Expenditure</b>					
<b>Benefits Payable</b>	Both	<b>90,554</b>	<b>92,363</b>	<b>93,908</b>	
<b>Pensions Payable</b>	Controllable	77,054	78,863	80,408	Budget based on January 2022 pensions payable plus an increase of 3.1% pensions increase (based on Sept 21 CPI), 1.9% pensioners and deferreds
<b>Commutation and lump sum retirement benefits</b>	Non Controllable	12,000	12,000	12,000	Budget based on 21-22 forecast outturn
<b>Lump sum death benefits</b>	Non Controllable	1,500	1,500	1,500	Budget based on 21-22 forecast outturn
<b>Payments to and account of leavers</b>	Non Controllable	<b>3,120</b>	<b>3,120</b>	<b>3,120</b>	Budget based on 21-22 forecast outturn
<b>Management Expenses</b>		<b>9,568</b>	<b>8,829</b>	<b>10,754</b>	
<b>Computer Software</b>	Controllable	383	383	534	Budget based on 21-22 forecast outturn plus an increase due to licence fee renewal with software provider
<b>Printing charges</b>	Controllable	20	20	20	Budget based on 21-22 forecast outturn
<b>Subscriptions, Legal fees, Conf Exps, Med Exps</b>	Controllable	70	70	70	Budget based on 21-22 forecast outturn
<b>Fund Managers</b>					
BlackRock	Controllable	1,959	1,300	2,850	Budget based on 21-22 forecast outturn plus additional allocation to UK SAIF
Schroders	Controllable	707	580	749	Budget based on 21-22 forecast outturn plus additional allocation
Wales Pension Partnership	Controllable	4,198	4,030	4,200	Budget based on 21-22 forecast outturn
Partners Group	Controllable	735	950	700	Budget based on 21-22 forecast outturn with reduction for lower administration fees
<b>Custodian</b>					
Northern Trust	Controllable	31	31	31	Budget based on 21-22 forecast outturn
<b>Actuary</b>					
Mercer	Controllable	100	100	175	Budget based on 21-22 forecast outturn plus actuarial valuation fees
<b>Performance Manager</b>					
Northern Trust / PIRC / CEM	Controllable	26	26	26	Budget based on 21-22 forecast outturn
<b>Independent Advisor</b>					
MJ Hudson	Controllable	30	30	30	Budget based on contract price including expenses
<b>Other</b>					
Euraplan, LSE, Pension Board	Controllable	27	27	27	Budget based on 21-22 forecast outturn
<b>Central recharges</b>	Non Controllable	1,254	1,254	1,314	Based on 21-22 budget plus increase for inflation
<b>Audit fees</b>	Controllable	28	28	28	Budget based on 21-22 forecast outturn
<b>Controllable Expenditure</b>		<b>85,368</b>	<b>86,438</b>	<b>89,848</b>	
<b>Non Controllable Expenditure</b>		<b>17,874</b>	<b>17,874</b>	<b>17,934</b>	
<b>Total Expenditure</b>		<b>103,242</b>	<b>104,312</b>	<b>107,782</b>	
<b>Income</b>					
<b>Contributions</b>					
<b>Employer</b>	Controllable	<b>-65,793</b>	<b>-66,893</b>	<b>-68,339</b>	Budget based on December 2021 contributions plus an increase of 3.5% for increments/pay awards.
<b>Member</b>	Controllable	<b>-22,764</b>	<b>-22,121</b>	<b>-23,045</b>	Budget based on December 2021 contributions plus an increase of 3.5% for increments/pay awards.
<b>Investment Income</b>	Controllable	<b>-16,750</b>	<b>-12,298</b>	<b>-13,398</b>	Investment income will be called upon as per cash flow requirements. £13.4 million cash required to breakeven.
<b>Other Income</b>	Controllable	<b>0</b>	<b>0</b>	<b>0</b>	Budget not required for 22-23. 3rd party administration invoices now raised against Pensions Administration budget within Carmarthenshire.
<b>Transfers in from other pension funds</b>	Non Controllable	<b>-3,571</b>	<b>-3,000</b>	<b>-3,000</b>	Budget based on 21-22 budget
<b>Controllable Income</b>		<b>-105,307</b>	<b>-101,312</b>	<b>-104,782</b>	
<b>Non Controllable Income</b>		<b>-3,571</b>	<b>-3,000</b>	<b>-3,000</b>	
<b>Total Income</b>		<b>-108,878</b>	<b>-104,312</b>	<b>-107,782</b>	
<b>Controllable Total</b>		<b>-19,939</b>	<b>-14,874</b>	<b>-14,934</b>	
<b>Non Controllable Total</b>		<b>14,303</b>	<b>14,874</b>	<b>14,934</b>	
<b>Total</b>		<b>-5,636</b>	<b>0</b>	<b>0</b>	Net budget Zero. Income can be managed to suit cashflow requirements.
<b>Cash Transfer to Fund Managers</b>	Cash	<b>14,078</b>	<b>0</b>	<b>0</b>	
<b>Net Total of Cash Related Items</b>		<b>8,442</b>	<b>0</b>	<b>0</b>	
<b>Indirect Transactional Management Fees</b>	Non Cash	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	CIPFA Management cost guidance issued to show indirect transactional fees indirectly paid by the funds
<b>Investment Income</b>	Non Cash	<b>-3,500</b>	<b>-3,500</b>	<b>-3,500</b>	Contra entry to the Indirect transactional fees
<b>Realised gain/loss</b>	Non Cash	<b>-41,728</b>	<b>-50,000</b>	<b>-50,000</b>	Non Controllable. To cover portfolio rebalances. No impact to cash.
<b>Net Total of Non-Cash Related Items</b>		<b>-41,728</b>	<b>-50,000</b>	<b>-50,000</b>	