

DYFED PENSION FUND COMMITTEE

11TH NOVEMBER 2024

BUDGET MONITORING AND CASH POSITION AS AT 30 SEPTEMBER 2024

Recommendations / key decisions required:

The Committee to receive the latest budget monitoring report and note the Fund's cash position.

Reasons:

To provide the Committee with an update on the latest budgetary and cash positions as at 30 September 2024.

Cabinet Decision Required N/A

Council Decision Required N/A

CABINET MEMBER PORTFOLIO HOLDER:- N/A

Directorate:
Corporate Services

Name of Director:
Chris Moore

Report Author:
Chris Moore

Designations:
Director of Corporate
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Council

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EXECUTIVE SUMMARY

DYFED PENSION FUND COMMITTEE

11TH NOVEMBER 2024

BUDGET MONITORING AND CASH POSITION AS AT 30 SEPTEMBER 2024

The position as at 30 September 2024 was an overspend compared to budget of £55k.

Expenditure

Expenditure is projected to be overspent by £2.5m. Pensions payable is forecast to be overspent by £168k, lump sum retirement benefits by £2m and payments to and account of leavers by £1.1m. Management expenses are forecast to be underspent by £785k.

At budget setting an allowance of 0.5% was built in for the increase in pensioner membership, the actual increase to September was slightly higher. Payments in relation to lump sum retirement benefits and payments to and account of leavers have been higher than anticipated at budget setting. These payments depend on the number of retirements and leavers throughout the year which cannot be anticipated at budget setting.

In relation to fees, costs to September were slightly lower than had been anticipated at budget setting.

Income

Income is forecast to be over budget by £2.4m. Contributions are forecast to be £2.8m more than budgeted which is mostly due to more augmentation income from employers being forecast than was anticipated at budget setting. Additionally, employee pensionable pay is forecast to be slightly higher than anticipated at budget setting resulting in additional contributions being forecast.

Transfers in are forecast to exceed budget by £2.5m as income to date has been higher than anticipated, and investment income is forecast to below budget by £2.9m.

Overall, total expenditure is estimated at £136.13m and total income estimated at £136.07m resulting in a negative variance against budget of £55k.

Cash Position

The position as at 30 September 2024 reports £5.9m cash held by Carmarthenshire County Council on behalf of the Fund for immediate cash flow requirements to pay pensions, lump sums and investment management costs. A summary of cash balances per month is below:

	Month	Cash Balance
2024	April	£8,093,046
	May	£4,881,741
	June	£5,585,992
	July	£5,736,552
	August	£3,637,143
	September	£5,888,810

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	Bio-diversity & Climate Change
NONE	NONE	YES	NONE	NONE	NONE	NONE	NONE

Finance

Overall, total expenditure is estimated at £136.13m and total income estimated at £136.07m resulting in a negative variance against budget of £55k.

A sufficient cash balance is required to be held by Carmarthenshire to ensure the Fund can meet its immediate cash flow requirements. The balance as at 30 September 2024 was £5.9m.

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 request for pre-determination

N/A

2. Local Member(s) N/A

.Community / Town Council N/A

4. Relevant Partners N/A

5. Staff Side Representatives and other Organisations N/A

CABINET MEMBER PORTFOLIO HOLDER(S) AWARE/CONSULTED

N/A

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:**

THERE ARE NONE