

Summary of main budget variances: Forecast for full year, as at 31 October 2012

APPENDIX 2

Variations Analysis of the full year forecast expenditure or income, against budget to the year end.

Expenditure Heading	Variance £*	Most Significant Reasons for Variance
General Communication Costs	(8,000)	Reduced expenditure in 2012/13 due to the rescheduling of the production of the LGPS 2014 booklet to 2013/14 is partly offset by the additional costs of at ease magazine due to expected free distribution arrangement becoming unavailable.
Payroll Communications	3,000	Additional costs of introducing new Fire-fighter's scheme, rechargeable to Avon fire service (see below).
Information Systems	2,000 17,000	Additional expenditure on Disaster Recovery programme. Implementation of I Connect system as approved by September Committee.
Central Allocated Costs	8,000	Additional legal charges relating to new admission agreements partly offset by savings on other centrally allocated costs and additional recharges (see below).
Miscellaneous recoveries / income	(8,000)	Additional recharge of legal fees relating to new admission agreements, and costs relating to new Fire-fighter's scheme. (See above).
Administration	14,000	
Governance Costs	(23,000)	Provisional amount for SRI tender no longer required following outcome of the Responsible Investing review.
Compliance Costs	91,000	increase in the number of new bodies, mainly academies, requiring admission agreements and IAS 19 reports. This is offset by increased recharges of fees to employing bodies (see below).
Compliance Costs Recharged	(108,000)	Increased recharges of actuarial fees as per above including the Pension Fund's administration charge to cover its related additional costs.
Global Custodian Fees	(20,000)	Custody fees lower than assumed in budget preparation that took place prior to completion of custody tender.
Expenditure outside direct control	(60,000)	
Total Forecast Underspend	(46,000)	

*() variance represents an under-spend, or recovery of income over budget
+ve variance represents an over-spend, or recovery of income below budget