

APPENDIX 1A

Summary of main budget variances: Forecast for full year at 31 October 2014

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

Expenditure Heading	Variance £*	Most Significant Reasons for Variance
Salaries	(50,000)	Reduced salaries expenditure due to:- - the partial and temporary secondment of the Payroll Manager to the Council's Payroll section to provide support during a major project. (Those parts of the Payroll Manager's role that they no longer cover are being temporarily covered by members of the management team). - the secondment of Project Officer to Bristol City Council to assist with pension matters.
Communications	(11,000)	Savings were achieved by including the Change in Scheme Booklet within the Avon Pension News Summer edition, sending out At Ease with pensioner's payslips, producing the Annual Report in electronic format and reducing costs on the Employer's Conference.
Administration	(61,000)	

Investment Governance	25,000	The forecast spend on investment advisory fees has increased by £25,000 to reflect the costs of retendering the DGF mandate.
Investment Manager Fees	(410,000)	Investment Manager fees are forecast to be below budget. This is largely because the budget provided for the full year fees on the infrastructure mandate although the appointment was not made until after the start of the year. The termination of the mandate with Barings will also lead to a reduction in fees until a new manager is appointed. The forecast of performance related fees has been revised to update for the performance of managers which offsets part of the savings on the infrastructure mandate.

Expenditure Outside Direct Control	(385,000)
Total Forecast Underspend	<u>(446,000)</u>

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