

Budget and Cash Flow Forecast

APPENDIX 5

Three Year Budget	Budget for 2021/22	Forecast 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25
	£	£	£	£	£
Administration Costs	136,795	130,054	199,013	149,443	152,432
Communication Costs	162,655	90,799	171,200	147,664	135,177
Payroll Communication Costs	152,718	108,737	158,752	136,427	139,156
Information Systems	292,761	359,962	482,513	368,108	336,827
Salaries	2,178,537	1,846,827	2,294,273	2,340,158	2,386,962
Central Allocated Costs - Administratic	482,945	482,945	511,878	522,115	532,558
Miscellaneous Recoveries/Income	(220,821)	(220,821)	(402,067)	(410,108)	(418,310)
Total Administration	3,185,591	2,798,503	3,415,562	3,253,808	3,264,801
Investment Governance Costs	568,600	575,600	490,950	495,924	505,842
Committee Governance & Projects	117,335	107,335	152,300	103,632	105,705
Actuarial & Compliance costs	823,742	840,917	1,125,917	938,335	906,102
Salaries	774,467	747,399	875,376	882,753	890,075
Brunel Expenses	25,000	5,000	20,000	20,400	20,808
Compliance Costs recharged	(192,000)	(192,000)	(246,100)	(251,022)	(256,042)
Governance & Compliance	2,117,144	2,084,251	2,418,443	2,190,022	2,172,489
Pensions Board	45,000	45,000	20,000	20,400	20,808
Global Custodian Fees	44,000	44,000	44,000	44,880	45,778
Brunel Management Fees	1,280,000	1,280,000	1,450,000	1,479,000	1,508,580
<u>Investment Manager Fees</u>					
Annual Management Fees	18,057,997	19,523,534	21,714,800	22,381,688	23,724,589
Performance Related Fees	1,000,000	129,202	4,960,000	5,151,600	5,460,696
Investment Fees	20,381,997	20,976,736	28,168,800	29,057,168	30,739,643
TOTAL COST TO FUND	25,729,731	25,904,490	34,022,805	34,521,398	36,197,742

Cash Flow Forecast		2022/23	2023/24	2024/25
(Excluding Administration and Investment costs)		£'000	£'000	£'000
Benefits Outflows				
Benefits	Pensions	(167,388)	(174,084)	(178,610)
	Lump sums	(23,919)	(24,876)	(25,523)
Total Benefits Outflows		(191,307)	(198,960)	(204,133)
Inflows				
Deficit recovery		5,000	4,288	5,398
Deficit recovery - paid in advance		7,542	44,891	8,142
Future service Contributions		103,597	106,083	108,629
Future service Contributions - paid in advance		62,765	64,271	65,814
Total Contributions		178,904	219,533	187,983
Net Cash Flow (excluding Administration & Investment costs)		(12,403)	20,573	(16,150)
Divestments & Investment income received as cash		21,500	(11,000)	26,000
Net Pension Transfers In / Out		0	0	0
Cash outflow due to administration of the Fund		(8,767)	(9,118)	(9,355)
Net Cash Flow (Out-Flow)		330	455	495
Notes				
- Net cash requirements will be met from divestments and cash balances				
- Transfers in and out are assumed to net to zero				
- The cash outflow due to administration includes Investment Management Fees that are invoiced to the Fund.				
- The forecast for 2023/24 includes the assumption that employers will make up-front three year deficit payments in advance.				