

Budget and Cash Flow Forecast

APPENDIX 4

<u>Three Year Budget</u>	Budget for 2022/23 £	Forecast 2022/23 £	Budget 2023/24 £	Budget 2024/25 £	Budget 2025/26 £
Administration Costs	199,013	180,627	282,475	299,546	329,500
Communication Costs	171,200	86,800	247,400	272,140	295,368
Payroll Communication Costs	158,752	174,323	156,565	172,221	189,443
Information Systems	482,513	408,684	492,920	542,212	596,433
Salaries	2,294,273	2,231,774	3,328,820	3,223,751	3,546,126
Central Allocated Costs - Administratic	511,878	511,878	478,884	526,772	579,449
Miscellaneous Recoveries/Income	(402,067)	(402,067)	(419,785)	(461,763)	(507,940)
Total Administration	3,415,562	3,192,019	4,567,278	4,574,878	5,028,380
Investment Governance Costs	510,950	494,436	480,770	528,847	581,732
Committee Governance & Projects	152,300	117,726	157,012	172,713	189,985
Actuarial & Compliance costs	1,125,917	1,127,498	1,045,830	1,150,413	1,265,454
Salaries	875,376	757,089	977,538	1,075,292	1,182,821
Compliance Costs recharged	(246,100)	(246,100)	(273,442)	(300,786)	(330,865)
Governance & Compliance	2,418,443	2,250,649	2,387,708	2,626,479	2,889,127
Pensions Board	20,000	8,350	23,102	25,412	27,953
Global Custodian Fees	44,000	49,691	46,200	50,820	55,902
Brunel Management Fees	1,450,000	1,505,225	1,576,000	1,733,600	1,906,960
<u>Investment Manager Fees</u>					
Annual Management Fees	21,714,800	18,103,372	17,890,628	18,964,066	20,101,910
Performance Related Fees	4,960,000	7,032,831	5,359,977	5,681,576	6,022,470
Investment Fees	28,168,800	26,691,119	24,872,805	26,430,061	28,087,242
TOTAL COST TO FUND	34,022,805	32,142,137	31,850,893	33,656,831	36,032,702

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<u>Cash Flow Forecast</u> (Excluding Administration and Investment costs)		<u>2023/24</u> £'000	<u>2024/25</u> £'000	<u>2025/26</u> £'000
Benefits Outflows				
Benefits	Pensions	(190,672)	(204,782)	(206,011)
	Lump sums	(28,619)	(30,737)	(30,921)
Total Benefits Outflows		(219,291)	(235,519)	(236,932)
Inflows				
Deficit recovery		4,673	4,893	5,123
Deficit recovery - paid in advance		28,207	10,288	10,762
Future service Contributions		136,597	144,542	153,551
Future service Contributions - paid in advance		58,980	58,980	58,980
Total Contributions		228,457	218,703	228,416
Net Cash Flow (excluding Administration & Investment costs)		9,166	(16,816)	(8,516)
Divestments & Investment income received as cash		2,200	29,000	20,800
Net Pension Transfers In / Out		0	0	0
Cash outflow due to administration of the Fund		(11,304)	(12,140)	(12,213)
Net Cash Flow (Out-Flow)		62	44	71
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 employers who have indicated they wish to pay their deficit three years in advance.				