

Budget and Cash Flow Forecast

APPENDIX 3

<u>Three Year Budget</u>	<u>Budget for 2023/24</u>	<u>Forecast 2023/24</u>	<u>Budget 2024/25</u>	<u>Budget 2025/26</u>	<u>Budget 2026/27</u>
	£	£	£	£	£
Administration Costs	251,746	253,822	357,702	241,256	246,081
Communication Costs	247,400	196,639	229,180	232,744	237,398
Payroll Communication Costs	156,565	174,736	161,708	132,813	135,469
Information Systems	492,920	495,124	765,712	655,165	668,268
Salaries	3,328,820	2,751,702	3,974,632	3,902,983	3,981,043
Central Allocated Costs - Administratic	478,884	490,306	516,459	526,788	537,324
Miscellaneous Recoveries/Income	(419,785)	(271,968)	(148,799)	(151,775)	(154,810)
Total Administration	4,536,549	4,090,361	5,856,594	5,539,973	5,650,773
Investment Governance Costs	480,770	575,527	715,342	727,609	742,161
Committee Governance & Projects	157,012	157,012	162,931	158,030	161,190
Actuarial & Compliance costs	1,045,830	1,047,349	1,164,275	1,187,561	1,211,312
Salaries	977,538	955,867	1,095,011	1,116,911	1,139,249
Compliance Costs recharged	(273,442)	(261,056)	(273,442)	(278,911)	(284,489)
Governance & Compliance	2,387,708	2,474,699	2,864,117	2,911,199	2,969,423
Pensions Board	23,102	17,523	23,102	23,564	24,035
Global Custodian Fees	46,200	49,691	50,000	51,000	52,020
Brunel Management Fees	1,576,000	1,645,376	1,890,000	1,927,800	1,966,356
<u>Investment Manager Fees</u>					
Annual Management Fees	17,890,628	15,916,391	17,663,666	18,723,486	19,846,895
Performance Related Fees	5,359,977	5,229,678	3,122,611	3,309,968	3,508,566
Investment Fees	24,872,805	22,841,135	22,726,277	24,012,254	25,373,837
TOTAL COST TO FUND	31,820,164	29,423,718	31,470,090	32,486,990	34,018,068

18,949

<u>Cash Flow Forecast</u>		<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>
(Excluding Administration and Investment costs)		£'000	£'000	£'000
Benefits Outflows				
Benefits	Pensions	(205,458)	(209,156)	(212,084)
	Lump sums	(39,341)	(40,049)	(40,610)
Total Benefits Outflows		(244,799)	(249,205)	(252,694)
Inflows				
Deficit recovery		4,912	5,123	5,195
Deficit recovery - paid in advance		9,426	10,746	32,930
Future service Contributions		140,596	149,708	151,804
Future service Contributions - paid in advance		62,889	62,889	63,769
Total Contributions		217,823	228,466	253,698
Net Cash Flow (excluding Administration & Investment costs)		(26,976)	(20,739)	1,004
Divestments & Investment income received as cash		40,700	34,610	13,060
Net Pension Transfers In / Out		0	0	0
Cash outflow due to administration of the Fund		(13,625)	(13,870)	(14,064)
Net Cash Flow (Out-Flow)		99	1	0
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 2026/27 assumes employers will pay their deficit three years in advance.				