

Lancashire County Pension Fund

Fund Account Budget Monitoring - year ended 31 March 2018

	Budget 2017.18 Q1 + Q2 £'000	Actual 2017.18 Q1 + Q2 £'000	Budget variance Q1 + Q2 £'000 (Favourable) / Adverse	Comments
INCOME				
Contributions Receivable				
From Employers	(94,877)	(88,511)	6,366	Phasing of budgeted pension strain payments (£9m budget YTD, £3.6m actual YTD).
From Employees	(28,361)	(28,081)	280	
Total contributions receivable	(123,238)	(116,592)	6,646	
Transfers In	(3,325)	(6,255)	(2,930)	
Investment Income	(54,613)	(65,031)	(10,418)	Dividend income in August(£19m) reinvested in Global Equity Pool. Offset by movement in market value of investments 'below the line'. Property rental income due for the quarter ended 30 September (c.£7m) will be received in October but is phased evenly in the budget.
TOTAL INCOME	(181,176)	(187,877)	(6,702)	
EXPENDITURE				
Benefits Payable				
Pensions	104,440	106,452	2,012	
Lump Sum Benefits	22,875	20,271	(2,604)	
Total benefits payable	127,315	126,723	(592)	
Transfers out	6,875	8,197	1,322	
Refund of Contributions	290	283	(7)	
Contributions Equivalent Premium	0	(18)	(18)	
Fund administrative expenses				
LPP administrative expenses	1,788	1,345	(443)	
Other administrative expenses	71	310	239	
Write off of bad debts	8	5	(2)	
Total administrative expenses	1,866	1,659	(207)	
Investment management expenses				
LPP investment management fees	3,071	2,104	(967)	
Transition costs	866	0	(866)	Transition costs for global equities recognised in 16/17. Fees awaited for infrastructure and private equity transitions.
Other investment management fees	13,041	14,527	1,486	

Total investment management expenses	16,978	16,631	(347)
Oversight and Governance expenses			
Performance measurement fees (including Panel)	45	(1)	(46)
IAS19 advisory fees	50	52	2
Other advisory fees (including abortive fees)	2,100	1,686	(414)
Actuarial fees	25	39	14
Custody fees	50	66	16
Audit fees	26	(21)	(47)
Legal & professional fees	300	50	(250)
LCC recharges	323	323	0
Bank charges	4	2	(2)
Property expenses	1,250	1,577	327
Total oversight and governance expenses	4,173	3,773	(399)
TOTAL EXPENDITURE	157,497	157,248	(248)
(SURPLUS) / DEFICIT BEFORE REALISED AND UNREALISED PROFITS AND LOSSES ON INVESTMENTS	(23,679)	(30,629)	(6,950)