

APPENDIX 'A'

Lancashire County Pension Fund				
Fund Account Budget Monitoring - year ended 31 March 2018				
	Budget 2017.18	Actual 2017.18	Budget variance	Comments
	Q1	Q1	Q1	
	£'000	£'000	£'000	
			(Favourable) / Adverse	
INCOME				
Contributions Receivable				
From Employers	(47,438)	(47,829)	(391)	
From Employees	(14,180)	(14,067)	113	
Total contributions receivable	(61,619)	(61,896)	(278)	
Transfers In	(1,663)	(3,409)	(1,746)	
Investment Income	(27,307)	(28,961)	(1,655)	
TOTAL INCOME	(90,588)	(94,267)	(3,679)	
EXPENDITURE				
Benefits Payable				
Pensions	52,220	53,048	828	
Lump Sum Benefits	11,438	7,422	(4,016)	
Total benefits payable	63,658	60,470	(3,188)	

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Transfers out	3,438	2,224	(1,213)	
Refund of Contributions	145	123	(22)	
Contributions Equivalent Premium	0	(11)	(11)	
Fund administrative expenses				
LPP administrative expenses	894	809	(85)	Favourable variance against support and additional services (£400k p.a.)
Other administrative expenses	35	8	(27)	Awaiting invoice for BTLS EPIC system enhancements for contribution collection.
Write off of bad debts	4	2	(1)	
Total administrative expenses	933	819	-	
			114	
Investment management expenses				
LPP investment management fees	1,536	1,915	380	Mitigated in part by favourable variance against 'other investment manager' fees. Phasing of transition of investments.
Transition costs	433	0	(433)	No transition costs incurred in year to date (£2.0m recognised in 16/17 for global equities transition).
Other investment management fees	6,520	6,282	(238)	
Total investment management expenses	8,489	8,198	(292)	
Oversight and Governance expenses				
Performance measurement fees (including Panel)	23	(10)	(32)	
IAS19 advisory fees	25	54	29	
Other advisory fees (including abortive fees)	1,050	1,002	(48)	
Actuarial fees	13	4	(8)	

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Custody fees	25	20	(5)	
Audit fees	13	(29)	(42)	
Legal & professional fees	150	51	(99)	
LCC recharges	161	72	(90)	Actuals include recharge of corporate finance and legal staff. Budgeted democratic services invoice not yet received or recognised. £300k other income to be recharged by LCC is under review.
Bank charges	2	0	(2)	
Property expenses	625	517	(108)	
Total oversight and governance expenses	2,086	1,681	(405)	
TOTAL EXPENDITURE	78,748	73,505	(5,244)	
(SURPLUS) / DEFICIT BEFORE REALISED AND UNREALISED PROFITS AND LOSSES ON INVESTMENTS	(11,840)	(20,762)	(8,922)	