

Lancashire County Pension Fund
Fund Account - Year ending 31 March 2021

Budget monitoring for 6 months ended 30 September 2020

	PRIOR YEAR ACTUAL Year ended 31 March 2020 £'000	BUDGET Year ending 31 March 2021 £'000	BUDGET 6 months ended 30 September 2020 £'000	ACTUAL 6 months ended 30 September 2020 £'000	BUDGET VARIANCE 6 months ended 30 September 2020 £'000	BUDGET VARIANCE 6 months ended 30 September 2020 % of budget	FORECAST Year ending 31 March 2021 £'000	FORECAST VARIANCE Year ending 31 March 2021 £'000	FORECAST VARIANCE Year ending 31 March 2021 % of budget	FAVOURABLE / ADVERSE
INCOME										
Contributions Receivable										
<u>From Employers</u>										
Future service rate contributions	(102,722)	(294,554)	(272,451)	(281,761)	(9,310)	3.4%	(313,798)	(19,244)	(6.5%)	FAV
Deficit recovery contributions	(11,822)	(16,082)	(14,361)	(15,019)	(658)	4.6%	(16,907)	(825)	(5.1%)	FAV
Pension strain / augmented pensions	(4,797)	(5,037)	(2,519)	(4,250)	(1,732)	68.8%	(5,510)	(473)	(9.4%)	FAV
From Employees	(56,339)	(57,466)	(28,733)	(31,311)	(2,578)	9.0%	(62,622)	(5,155)	(9.0%)	FAV
Total contributions receivable	(175,681)	(373,139)	(318,063)	(332,341)	(14,278)	4.5%	(398,836)	(25,697)	(6.9%)	FAV
Transfers in	(12,464)	(12,464)	(6,232)	(3,942)	2,289	(36.7%)	(10,174)	2,289	18.4%	ADV
Total Investment Income	(204,280)	(214,494)	(107,247)	(84,822)	22,425	(20.9%)	(192,069)	22,425	10.5%	ADV
TOTAL INCOME	(392,424)	(600,097)	(431,542)	(421,105)	10,437	(2.4%)	(601,078)	(982)	(0.2%)	FAV
EXPENDITURE										
Benefits Payable										
Pensions	238,728	245,702	122,851	122,917	66	0.1%	245,702	0	0.0%	FAV
Lump Sum Benefits	43,767	43,767	21,884	23,471	1,587	7.3%	45,354	1,587	3.6%	ADV
Total benefits payable	282,495	289,469	144,735	146,388	1,653	1.1%	291,056	1,587	0.5%	ADV
Transfers out	15,472	15,472	7,736	9,664	1,928	24.9%	17,399	1,928	12.5%	ADV
Refund of Contributions	716	716	358	350	(8)	(2.2%)	716	0	0.0%	FAV
Contributions Equivalent Premium	239	239	120	(5)	(125)	(104.4%)	114	(125)	(52.2%)	FAV
Fund administrative expenses										
<u>Administrative and processing expenses:</u>										
LPP administrative expenses	3,386	4,128	2,064	2,046	(18)	(0.9%)	4,128	0	0.0%	FAV
Write off of bad debts	10	10	5	3	(2)	(41.3%)	10	0	0.0%	FAV
Total administrative expenses	3,396	4,138	2,069	2,049	(20)	(1.0%)	4,138	0	0.0%	FAV
Investment management expenses										
<u>Investment management fees:</u>										
LPP directly invoiced investment management fees	2,268	2,100	1,050	995	(55)	(5.3%)	1,989	(111)	(5.3%)	FAV
DIRECTLY INVOICED non LPP investment management fees - direct holdings	1,211	1,385	693	573	(120)	(17.3%)	1,385	0	0.0%	FAV
Investment management fees on pooled investments	59,647	62,747	31,373	24,054	(7,320)	(23.3%)	62,747	0	0.0%	FAV
Transition costs	120	120	60	0	(60)	(100.0%)	30	(90)	(75.0%)	FAV
Custody fees	64	60	30	(14)	(44)	(146.9%)	60	0	0.0%	FAV
Commission, agents charges and withholding tax	1,504	1,500	750	944	194	25.9%	1,889	389	25.9%	ADV
LCC recharge for treasury management costs	58	58	29	29	0	0.0%	58	0	0.0%	FAV
Property expenses	5,516	2,000	1,000	598	(402)	(40.2%)	1,598	(402)	(20.1%)	FAV
Total investment management expenses	70,389	69,970	34,985	27,179	(7,806)	(22.3%)	69,757	(214)	(0.3%)	FAV
Oversight and Governance expenses										
Performance measurement fees (including Panel)	88	82	41	15	(26)	(64.6%)	82	0	0.0%	FAV
Lancashire Local Pensions Board		15	8	3	(5)	(64.7%)	15	0	0.0%	FAV
IAS19 advisory fees	0	(20)	(10)	1	11	(112.1%)	0	20	(100.0%)	ADV
Other advisory fees (including abortive fees)	96	100	50	22	(28)	(55.2%)	100	0	0.0%	FAV
Actuarial fees	121	100	50	40	(10)	(19.4%)	100	0	0.0%	FAV
Audit fees	26	26	13	12	(1)	(11.0%)	31	5	19.1%	ADV
Legal & professional fees	60	60	30	(113)	(143)	(475.1%)	60	0	0.0%	FAV
LCC staff recharges	616	616	308	88	(220)	(71.4%)	616	0	0.0%	FAV
Bank charges	4	5	3	1	(2)	(64.0%)	3	(2)	(32.0%)	FAV
Total oversight and governance expenses	1,012	984	492	69	(423)	(86.0%)	1,007	23	2.4%	ADV
TOTAL EXPENDITURE	373,719	380,989	190,494	185,694	(4,800)	(2.5%)	384,188	3,199	0.8%	ADV
MONEY AVAILABLE FOR INVESTMENT BEFORE REALISED AND UNREALISED PROFITS AND LOSSES ON INVESTMENTS	(18,705)	(219,108)	(241,048)	(235,411)	5,636	(2.3%)	(216,890)	2,218	(1.0%)	ADV