

# **SOUTH YORKSHIRE PENSIONS AUTHORITY**

**12 January 2017**

## **Report of the Treasurer**

### **REVENUE ESTIMATES 2017/18**

#### **1 Matter for consideration**

Following various consultations, to formally confirm the draft budget proposals considered by the Authority on 24 November 2016 and summarised herewith.

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#### **2 Recommendations**

**The Authority is asked to formally confirm the budget proposals and approve the budget of £7,042,600 for 2017/18.**

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#### **3 Background Information**

- 3.1 At its meeting on 24 November, the Authority considered draft budget proposals for the 2017/18 financial year. The key elements of these proposals were subsequently the subject of consultations with various interested parties and no changes were suggested.
- 3.2 A summary of the draft budget as considered at the Authority meeting on 24 November is attached at Appendix A. The full report considered by members at that meeting can be accessed on the Pensions website.

#### **4 Implications**

- 4.1 Financial  
None additional
- 4.2 Legal  
None
- 4.3 Diversity  
None
- 4.4 Risk  
None

**F Foster**  
**Treasurer**

**Officer responsible:** Bev Clarkson, Head of Finance, South Yorkshire Pensions Authority  
**Background papers** used in the preparation of this report are available for inspection at the South Yorkshire Pensions Authority.  
**Other sources and references:** none

**APPENDIX A**

**SOUTH YORKSHIRE PENSIONS AUTHORITY**

**ADMINISTRATION AND INVESTMENT EXPENSES**

**REVENUE ESTIMATES 2017/18 AT OUTTURN PRICES**

**SUMMARY**

	2016-17 ORIGINAL ESTIMATE £	2016-17 PROBABLE OUTTURN £	2017-18 <b>ESTIMATE</b> £
ADMINISTRATION EXPENSES	2,995,100	3,016,400	3,182,500
INVESTMENT EXPENSES	3,341,700	3,616,600	3,860,100
	6,336,800	6,633,000	7,042,600
CONTINGENCIES	-50,000	-0	-0
<b>TOTAL EXPENDITURE REQUIREMENT</b>	<b>6,286,800</b>	<b>6,633,000</b>	<b>7,042,600</b>
SUPPLEMENTARY ESTIMATES ALREADY APPROVED:			
ADMINISTRATION – GMP EXERCISE 17/3/16	0	99,000	0
INVESTMENTS – POOLING 6/10/16	0	150,000	200,000
INVESTMENT COSTS LINKED TO MARKET VALUES	1,610,000	1,715,000	1,770,000
NET CONTROLLABLE BUDGET	4,676,800	4,669,000	5,072,600
RECHARGED TO:			
FUND	6,111,800	6,463,000	6,872,600
SYPT PENSION FUND	175,000	170,000	170,000
	<b>6,286,800</b>	<b>6,633,000</b>	<b>7,042,600</b>
ACTUARIAL WORK CHARGED TO FUND	90,000	90,000	90,000
<u>MEMORANDUM ITEM</u>			
DISTRICT OFFICES			
Barnsley	100,900	101,700	104,300
Doncaster	111,900	101,400	114,200
Rotherham	84,600	85,200	87,300
Sheffield	117,600	117,600	120,600
	415,000	405,900	426,400

**SOUTH YORKSHIRE PENSIONS AUTHORITY**

**ADMINISTRATION EXPENSES**

**REVENUE ESTIMATES 2017/18 AT OUTTURN PRICES**

	2016-17 ORIGINAL ESTIMATE £	2016-17 PROBABLE OUTTURN £	2017-18 ESTIMATE £
<b>EXPENDITURE</b>			
<b>EMPLOYEES</b>			
Administration and Clerical	2,014,000	1,958,300	2,238,900
Training Expenses	14,000	14,000	14,000
Other Indirect Expenses	23,800	23,800	23,800
<b>PREMISES RELATED EXPENSES</b>			
Rents - Office Accommodation	146,000	157,000	157,000
<b>TRANSPORT RELATED EXPENSES</b>			
Public Transport	3,000	3,000	3,000
Car Allowances	7,000	7,000	7,000
<b>SUPPLIES AND SERVICES</b>			
Equipment, Furniture and Materials	13,900	13,900	15,900
Publications	200	200	200
Printing and Stationery	75,500	75,500	75,500
Communications and Computing			
Postages and Telephones	100,000	100,000	100,000
Computer Services	25,000	25,000	25,000
Imaging maintenance	2,000	2,000	2,000
AXIS / UPM	67,000	73,000	86,000
Subsistence and Conferences	2,200	2,200	2,200
Subscriptions	9,000	9,000	10,000
Actuarial Fees	90,000	120,000	70,000
Legal Services	2,000	2,000	2,000
Other Professional Fees	50,000	149,000	50,000
Miscellaneous Expenses	9,000	9,000	9,000
<b>CENTRAL EXPENSES</b>			
Central Services	250,000	211,000	216,000
IT Network	55,000	53,000	55,000
Insurances	30,000	30,000	32,000
Subscriptions	15,500	15,500	16,000
Audit Fee	45,000	45,000	45,000
Bank Charges	15,000	12,000	15,000
Democratic Representation	14,000	14,000	14,000
Member Training	5,000	5,000	5,000
Disaster Recovery	10,000	10,000	11,000
Local Pension Board	15,000	10,000	15,000
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<b>GROSS EXPENDITURE</b>	<b>3,108,100</b>	<b>3,149,400</b>	<b>3,315,500</b>
MISCELLANEOUS INCOME	113,000	133,000	133,000
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<b>NET EXPENDITURE</b>	<b>2,995,100</b>	<b>3,016,400</b>	<b>3,182,500</b>
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**SOUTH YORKSHIRE PENSIONS AUTHORITY**

**INVESTMENT GENERAL AND INVESTMENT MANAGEMENT EXPENSES**

**REVENUE ESTIMATES 2017/18 AT OUTTURN PRICES**

	2016-17 ORIGINAL ESTIMATE £	2016-17 PROBABLE OUTTURN £	2017-18 ESTIMATE £
<b>EXPENDITURE</b>			
<b>EMPLOYEES</b>			
Administration and Clerical	1,104,800	1,089,000	1,201,000
Training Expenses	4,000	4,000	4,000
Other Indirect Expenses	5,000	5,000	5,000
<b>PREMISES RELATED EXPENSES</b>			
Rents - Office Accommodation	45,000	48,000	48,000
<b>TRANSPORT RELATED EXPENSES</b>			
Public Transport	8,400	8,400	8,400
Car Allowances	3,500	3,500	3,500
<b>SUPPLIES AND SERVICES</b>			
Equipment, Furniture and Materials	7,000	7,000	7,000
Publications	4,400	4,400	4,400
Printing and Stationery	3,000	3,000	3,000
Communications and Computing			
Postage and Telephones	300	300	300
Computer Services	12,000	12,000	12,000
Subsistence and Conferences	1,500	1,500	1,500
Subscriptions	49,000	49,000	50,000
Actuarial Fees	20,000	20,000	20,000
Legal Fees	1,000	1,000	1,000
Other Professional Fees	35,000	35,000	35,000
Miscellaneous Expenses	2,000	2,000	2,000
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INVESTMENT GENERAL EXPENSES	1,305,900	1,293,100	1,406,100
<b><u>INVESTMENT MANAGEMENT EXPENSES</u></b>			
Internal Information Systems	325,500	358,500	382,000
Custodian & Other Investment Expenses	261,000	266,000	301,000
Investment Pooling	0	150,000	200,000
External Management Fees	1,449,300	1,549,000	1,571,000
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INVESTMENT MANAGEMENT EXPENSES	2,035,800	2,323,500	2,454,000
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<b>NET EXPENDITURE</b>	<b>3,341,700</b>	<b>3,616,600</b>	<b>3,860,100</b>
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