

Agenda Item

Subject	Local Pension Board Budget 2024/25	Status	For Publication
Report to	Local Pension Board	Date	9 November 2023
Report of	Director and Chief Finance Officer		
Equality Impact Assessment	Not Required	Attached	No
Contact Officer	Gillian Taberner AD – Resources & Chief Finance Officer	Phone	01226 666420
E Mail	gtaberner@sypa.org.uk		

1 Purpose of the Report

- 1.1 To receive the Board’s proposed budget for 2024/25 and provide any comments prior to recommending the draft budget to the Authority for approval as part of the overall budget.

2 Recommendations

- 2.1 Members are recommended to:
- a. **Receive and comment on the proposed 2024/25 LPB budget of £38,200.**
 - b. **Recommend the draft LPB budget to the Authority for its approval as part of the Authority’s overall budget.**

3 Link to Corporate Objectives

- 3.1 This report links to the delivery of the following corporate objectives:

Customer Focus

To design our services around the needs of our customers (whether scheme members or employers).

Resourcing the Board to effectively carry out its role will allow it to contribute to ensuring that services are designed and delivered with customers in mind.

Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times.

One of the benchmarks of effective governance is a transparent budget process of which this report forms a part.

4 Implications for the Corporate Risk Register

4.1 The budget proposals outlined in this report contribute to addressing the risks identified in the Corporate Risks Register associated with the effective operation of the Board. They do not, however, eliminate such risks which will depend on the way in which Board members fulfil the obligations placed on them through membership of the Board.

5 Background and Options

5.1 This report sets out the proposed Local Pension Board Budget for 2024/25.

5.2 The table below sets out the current forecast budget outturn for 2023/24 and the proposed budget for 2024/25.

Expenditure Item	2022/23 Actual Outturn	2023/24 Budget £	2023/24 Q2 Forecast Outturn £	2023/24 Q2 Forecast Variance £	2024/25 Proposed Budget £
Independent Adviser	8,160	8,530	9,000	470	9,800
Catering, Printing, etc.	250	300	700	400	700
Member travel expenses (Meetings)	90	300	1,000	700	1,000
Training and associated travel and subsistence	9,100	6,000	7,500	1,500	8,000
LPB Member Allowances	0	0	13,550	13,550	18,700
Total	17,600	15,130	31,750	16,620	38,200

5.3 The current year budget for the Board is currently forecast to be overspent by a total of £16,620; however the majority of this, £13,550, relates to the forecast cost in the current year of the new member allowances for Board members. The introduction of these allowances was approved by the Authority in June 2023 after the budget for the year had been set. This current year cost will be met from reserves in this year and will be built into the budget from 2024/25 onwards.

5.4 The remaining forecast overspend of just over £3,000 in the current year is due to the following:

a. Additional expenditure of £1,500 on training and development above the expectations when the budget was set at November 2022. As the Board are aware, ensuring appropriate and sufficient member learning and development is a priority. The training expenditure in the current financial year includes costs for:

- i. the Board's share of the cost of the Hymans Robertson LGPS Online Learning Academy (LOLA),
- ii. participation in the National Knowledge Assessment,

- iii. the bespoke session on Scrutiny delivered by the Centre for Governance & Scrutiny, and
 - iv. Places for individual Board members attending CIPFA LPB Conference and attending LGA's 3-day LGPS Fundamentals course.
 - b. Additional forecast expenditure of £1,100 in respect of running costs including catering and travelling expenses – reflecting the general movement to more in person meetings as well as additional events (such as seminars and the effectiveness review) held in person at the office.
 - c. Finally, there is a forecast overspend of £470 on the costs relating to independent adviser. This is estimated at this stage based on actual costs to date and reflects that expenses and fees relating to additional services are slightly higher than estimated when the budget was set.
- 5.5 The budget proposed for 2024/25 has been prepared to take into account the known resourcing requirements and changes based on the above analysis of the current year actuals and forecast.
- 5.6 The main change is the addition of the budget for LPB Member Allowances of £18,700 – based on assumptions of the number of members in receipt of the allowance and an allowance for inflation of up to 3%. The allowance rates are increased with reference to any nationally agreed pay award for Local Government.
- 5.7 The budget amounts proposed for running costs and travel expenses are based on the anticipated costs for the year ahead taking account of recent experience and numbers of meetings and events likely to be scheduled.
- 5.8 The training budget is being proposed at an amount that will be sufficient for continuing costs relating to LOLA and Knowledge Assessments, as well as providing for individual places on suitable external courses and any in-house bespoke courses / seminars within a reasonable limit of numbers each year to balance cost and benefit and ensure appropriate value for money.
- 5.9 The budget for Independent Adviser fees in 2024/25 includes estimated inflationary uplift, estimated expenses and potential additional services.
- 5.10 Members of the Board are invited to comment on the draft budget and frame a recommendation to the Authority for consideration at its meeting on 8 February 2024.

6 Implications

- 6.1 The proposals outlined in this report have the following implications:

Financial	As set out in the body of the report
Human Resources	None
ICT	None
Legal	None
Procurement	None

George Graham

Director

Gillian Taberner

Assistant Director – Resources & Chief Finance Officer

Background Papers	
Document	Place of Inspection
-	-