

Appendix 1 - Pension Fund Budget 2019/20

Pension Fund Budget & Forecast 2019-20				Key Assumptions
	2017/18	2018/19	2019/20	
	FY Outturn	FY Outturn	FY Forecast	
	£	£		
Members Income				
Employers Contributions	(62,737)	(63,154)	(61,169)	2% pay rise assumed for Hackney employees (no assumption on promotional pay); Assumed no material change in active member numbers; 2019/20 employer contribution rates used
Employees Contributions	(12,164)	(12,649)	(12,882)	2% pay rise assumed for Hackney employees (no assumption on promotional pay); Assumed no material change in active member numbers or movement across pay bands
Transfers In	(8,079)	(8,841)	(8,841)	Prior year actual used given difficulty of producing a reliable estimate
	(82,980)	(84,644)	(82,892)	
Members Expenditure				
Pensions	42,565	44,774	45,849	Assumed 2.4% increase in line with September 2018 CPI 12 month rate; Assumed no material change in pensioner member numbers or profile; Assumed commutation rate maintained
Lump Sum Commutations & Death Grants	9,968	11,418	11,692	Assumed 2.4% increase in line with September 2018 CPI 12 month rate; Assumed no material change in pensioner member numbers, profile or no of deaths; Assumed commutation rate maintained
Transfers Out	5,580	4,224	4,224	Prior year actual used given difficulty of producing a reliable estimate
Refund of Contributions	174	194	194	Prior year actual used given difficulty of producing a reliable estimate
	58,287	60,610	61,959	
Net (additions)/withdrawals from dealings with members	(24,693)	(24,034)	(20,934)	
Management Expenses				
Administrative Costs	826	776	779	Estimated based on prior year actuals plus estimates for specific projects (e.g.GMP rectification)
Investment Management Expenses	7,248	6,578	6,578	Prior year actual used given difficulty of producing a reliable estimate
Oversight & Governance Costs	655	822	887	Estimated based on prior year actuals plus estimates for specific projects (e.g. actuarial valuation)
	8,729	8,176	8,244	
Net (surplus)/deficit from operations	(15,964)	(15,858)	(12,690)	
Investment Income				
Investment Income	(15,683)	(12,316)	(12,316)	Prior year actual used
Net Investment Income/Expenditure	(15,683)	(12,316)	(12,316)	
Cash flow before Investment Performance	(31,647)	(28,174)	(25,006)	