

**Local Pension Board Budget**

**Purpose of the Report**

1. The purpose of this report is to present a proposed Local Pension Board Budget for 2020-21 for the Board to consider and recommend to the Pension Fund Committee for its inclusion alongside the Wiltshire Pension Fund Administration Budget 2020-21.
2. The Wiltshire Pension Fund Committee will consider the Fund's budget at its meeting on 26 March 2020.

**Background**

3. To ensure good governance, budgets are required to monitor the stewardship of the Fund's expenditure and financial plans assist in mitigating risks by allocating necessary resources to develop the service. The Wiltshire Pension Fund Committee approves the Pension Fund budget each year.
4. The Scheme regulations state that the operational cost of the Local Pension Board must be borne as an expense to the administering Fund's budget. However, for monitoring purposes officers will now present the Local Pension Board budget separately to the other budgets of the Fund in order to better reflect the lines of responsibility for each budget.
5. Therefore, the Local Pension Board's budget is approved by the Pension Fund Committee when setting its budget for the year. Should any further expenditure be required beyond this, then approval must be obtained from the Wiltshire Council Director of Finance and Procurement.

**Main Considerations for the Board**

6. The main financial headings for the Local Pension Board Budget and key financial totals are presented in the table in appendix 1 below.
7. The overall projection is for an underspend in 2019-20 circa £11,200. The underspend is due to lower than expected spending on consultancy services and training during the year.
8. The overall proposed budget for 2021-21 is £27,400. This is a continuation of the total budget for 2019-20.
9. The budget for the Independent Chair has been updated and increased to £10,300 to reflect the fee of the new post holder. Following the end of the current term, the remuneration was reviewed and an index-linked increase was applied to keep at a level which is common for other Local Pension Boards. The increased fee has been offset by a reduction to the training budget (most of which was unused in 2018-19 and against which there has been no spend to date in the current year).
10. A continuation of the budget for insurance has been included in line with Scheme Advisory Board guidance.
11. The Committee Services budget is £3000 and to date there have been no charges against this line. We are proposing to retain this line in the budget and to recharge a

proportion of the Committee Services charge to it from the Governance budget to reflect the service that the board receives from that team.

### **Environmental Impact of the Proposals**

12. There are none.

### **Legal Implications**

13. There are no known implications at this time.

### **Financial Considerations & Risk Assessment**

14. In line with good governance practice, officers bring budget monitoring reports back to the Pension Fund Committee quarterly. In the interim, variations against budget will be monitored and if they become very significant, the Director of Finance and Procurement will approve variations to the budget and report these to Committee retrospectively for ratification.

### **Safeguarding Considerations/Public Health Implications/Equalities Impact**

15. There are no known implications at this time.

### **Reason for Proposal**

16. It is considered best practice for the Local Pension Board to recommend that its budget is approved with Pension Committee.

### **Proposal**

17. The Board is asked to agree the draft Local Pension Budget and recommend to the Pension Fund Committee that this is included in the Fund's Administration budget for 2020-21.

18. It is proposed that the Local Pension Board monitor their budget on a quarterly basis. Local Pension Board budget monitoring will form part of the quarterly budget report which is reviewed by the Pension Fund Committee.

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Unpublished documents relied upon in the production of this report: *None*

## Appendix 1

### Wiltshire Local Pension Board Proposed Budget 2020-21

	2018-19 Actual £	2019-20 Budget £	2019-20 Forecast £	Budget changes £	2020-21 Budget £
Independent Chair Remuneration	9,216	9,214	9,216	1,086	10,300
Consultancy Services	6,470	7,000	-	- 500	6,500
Training	383	4,200	400	- 800	3,400
Committee Services	-	3,000	3,000	-	3,000
Travel & Subsistence costs	744	800	800	200	1,000
Catering	-	400	-	-	400
Insurance	2,800	2,800	2,800	-	2,800
	<b>19,613</b>	<b>27,414</b>	<b>16,216</b>	<b>- 114</b>	<b>27,400</b>